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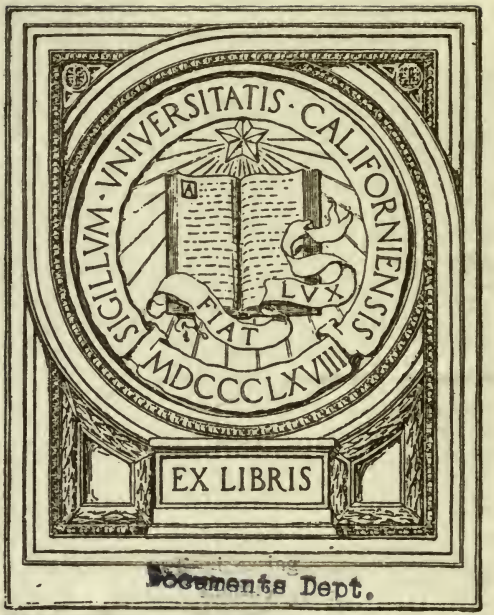

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FINDINGS OF FACTS

BY

THE RAILROAD COMMISSION

OF WASHINGTON

RELATIVE TO THE

VALUATION OF RAILROADS

IN THE

STATE OF WASHINGTON

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ASCERTAINING VALUE OF RAILROADS, AND OTHER FACTS, AS PROVIDED IN SECTION 12.

The original Commission Act provided, in substance, that the Commission should, as early as practicable, ascertain the amount of money expended in the construction and equipment, per mile, of every railroad in Washington.

Under this act the Commission, agreeable to its terms, employed experts for the purpose of complying with the provisions of the law. The manifest object of the Legislature was to enable the Commission to ascertain the investment upon which the railroad was entitled to earn a return to be considered in the determination of reasonable rates. After investigating this subject with great care, examining the authorities and particularly the decisions of the Supreme Court of the United States, the Commission became convinced that a literal compliance with the terms of the act would be of little, if any, value to the state, as the statute provided for ascertaining but one of the many elements that must of necessity be considered in ascertaining the amount upon which the road is entitled to earn a return. While the original investment is material and should be known, the authorities would indicate that the railroad is entitled to earn a reasonable return on the "value" of the property used by it for the public convenience at the time of the inquiry. And the courts have clearly intimated that in ascertaining this value consideration must be given to not only the original investment, but also to the cost of reproduction, the amount and market value of the stocks and bonds, the density of traffic and, in short, every element that a prudent investor would consider in determining the market value of the property. The Commission became further satisfied that the value of railroad property, like any other property, was subject to change by changed conditions and that the value of a railroad today might be entirely different in ten years

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though the physical conditions should remain practically unchanged.

In attempting to comply with the original statute the Commission was met with the statement by the roads, and particularly by the Northern Pacific Railway Company and the Oregon Railroad & Navigation Company, that their records were incomplete, many of their original records having been lost or destroyed, and that it was, therefore, impossible for the roads to furnish us with a statement which would even be approximately correct, showing the original investment. And the Commission was compelled to employ engineers and accountants to investigate and ascertain the same. The Commission early appreciated that a large expenditure would be necessary in order to accomplish this object, and, after investigation, concluded that the expense would be but slightly increased if at the same time it ascertained the unit quantities entering into the construction of the road; that is to say, the units of labor and material furnished and used. Having these unit quantities, prevailing prices could be applied at any future time and the cost of reproduction at the time of the inquiry be thus ascertained without any appreciable expense, providing the work of keeping up the permanent improvements made by the roads is properly preserved and placed of record in the office of the Commission.

The large expense to be incurred, the fact that many expert engineers and accountants were employed who would probably scatter and their whereabouts become unknown, impressed the Commission with the necessity of having the facts, when ascertained, made permanent and evidentiary so as to obviate the necessity of ever duplicating the work. With this object in view, the Commission spent much time and labor in drafting an amendment to the law, which is found in amended section 12 passed by the Legislature of 1907, definitely directing the Commission to ascertain every element that the courts have intimated should be considered, as well as every element that the Commission, after careful investigation, concluded would be material as showing the true value of the property, providing for a formal hearing before the Commission, after due notice to the roads, at which hearing the railroads are entitled to subpoenas compelling the attendance of all witnesses which

it desires to offer, providing for the preservation of all the testimony, and that findings of fact shall be made on every element entering into or proper to be considered in ascertaining the market value of the property, making ample provisions for a court review, and finally providing that these findings of fact, when offered under the seal of the Commission, shall be conclusive evidence of the facts therein stated as of the date of the filing, subject only to be contradicted by showing changed conditions subsequent thereto. Our engineers were, therefore, instructed to procure not only the original cost and the cost of duplication or reproduction, but, whenever possible, to procure in detail every unit quantity of labor and material entering into the construction of the road. This evidence was procured and introduced before the Commission, and the Commission, in making its findings, has not only ascertained the amount of money expended, the amount of money necessary to duplicate or reproduce the property, but, in addition thereto, has ascertained every unit quantity such as the number of cubic yards of earth, solid rock, hard pan, loose rock, cemented gravel and other grading quantities necessary to be moved, together with the necessary overhaul connected therewith, the number of tons of steel in the rails, the track fastenings, ties, iron and timber in bridges, the floor area of all buildings and every unit quantity entering into the construction. To these units current prices can at any time be applied and the cost of reproduction under the conditions then existing ascertained without any material expense, provided the Commission, from time to time, will have a further hearing to ascertain the nature of the improvements placed upon the property subsequent to the date of our findings and make supplementary findings of fact concerning the same. Not only did the Commission find itself without precedent to follow, but no similar comprehensive statute has ever been enacted. The Commission appreciates fully the importance of this work and the responsibility resting upon it.

It is self-evident that if a railroad is entitled to earn a reasonable return on the value of its property, that no intelligent judgment can be made concerning a schedule of rates without first obtaining the value of the property upon which the returns must be based, and as this value is subject to change, the

necessity of ascertaining this value under the changed conditions without duplication of work must be apparent. With these controlling ideas the Commission has so sought to perform these labors and to so cover the different elements in its findings that the work will be completed so as to not only give the present value of the railroad property, but that it will enable the Commission at any time in the future, without duplication of labor or expense, to ascertain the then value of the property, basing the same on the findings made at this hearing, together with the betterments and improvements, consideration being given only to the changed conditions as they might from time to time arise.

The pioneer state to ascertain the physical value of railroad properties was Texas, through its Railway Commission. The apparent primary object of the legislation of Texas providing for the valuation of the railroads was for the purpose of limiting the issuing of stocks and bonds; that is, to prevent stock watering. Obviously the chief element or consideration in determining whether the capital account of a railroad should be increased would be the money invested therein. Subsequent to ascertaining this value the Railway Commission of Texas attempted to apply the valuation thus fixed for the purpose of regulating the rates and using this valuation as the amount upon which the railroad was entitled to a return from rates and fares. The Supreme Court of the United States set aside the order of the Commission upon the ground that the elements shown to have been considered by the Commission in fixing their valuation was too narrow and that elements had not been considered which entered into the market value of the road. Michigan and Wisconsin also attempted to secure a valuation of railroads, but such valuation was not made by the Railroad Commission, the primary objects of these states being to ascertain the value for the purpose of taxation. Minnesota is now engaged in ascertaining the values of the railroads within the borders of its state through the Railroad and Warehouse Commission.

The Supreme Court of Minnesota has ruled that the controlling and practically the only element necessary to be considered in ascertaining the value of a railroad for rate-making purposes is the cost of reproducing the line. This decision is

so manifestly at variance with the weight of authority that this Commission did not feel justified in following that decision.

We believe that this Commission is the first Commission to ascertain the original cost of construction, also the only Commission that has attempted to ascertain the unit quantities, and the only Commission that has attempted to consider the elements that would be taken into consideration by a purchaser of the property so as to ascertain the true market value. At first impression it might appear that unnecesary detail was entailed by the Commission in procuring the original grading and construction units and in ascertaining the original expenditures. The importance of this matter, however, is found in the fact that when there has been ascertained from the original distribution sheets all the different units of labor performed and material moved and used, and what the money was expended for, all the questions of contingencies that would likely arise are covered. An engineer going over a line of any of our transcontinental roads through a mountainous section viewing the property, can only conjecture the amount and nature of the construction work performed. If, however, he has the unit quantities showing exactly what was performed, he then is in a position to know what it would cost to reproduce the property today without conjecture or guess. This is best illustrated in the contention of the railroads that it was necessary and proper to add to the sums necessary to be expended in performing the units of labor and in procuring the units of construction a sum ranging from 7½ to 10 per cent. on the total outlay to cover contingencies. Engineers expert in railroad accounts, both engineering and auditing, were employed to expert the books and records of the different companies for the purpose of ascertaining the original expenditure and the sums expended in betterments and improvements; original entries such as vouchers, original estimates, distribution sheets and final settlements with contractors as found in the engineering department were examined and summarized; lists were made from the same department showing all structures, their age, size, cost, and statements were likewise procured showing the existing rails and their weight, track fastenings, ties, ballast, sidings, etc. These summarized lists were compared and checked with the records in the auditing department. Having pro-

cured the information showing both the unit quantities and original cost for all improvements, whether or labor or material, competent engineers were then sent out to inspect the lines and ascertain if the improvements had been made as indicated by the records, and all structures and material checked on the ground with the data procured as aforesaid. We thus obtained the units entering into the construction of the different lines. In ascertaining the cost and amount of equipment properly chargeable or allowable to the state, we ascertained from the companies' records the amount of equipment purchased and now in existence on its entire line, the date when each unit was purchased and put in use, and the original cost of each unit. We also procured the passenger and freight car and engine mileage on the entire system and the same information as to the state and charged or allowed to the state equipment in proportion as the mileage of each class in the state bore to the mileage of the same class of equipment on the entire system. To the different units of construction and equipment thus found current market prices were applied and the cost of reproducing the property new was obtained.

In ascertaining the depreciation of equipment, structures and material our engineers adopted what might be termed "mortality tables of structures." The following extract from Mr. Gillette's report on this subject is so clear and concise that we reproduce it:

"In estimating the present or depreciated value of structures, rolling stock, etc., both Michigan and Wisconsin had sent experts into the field to estimate the percentage of present value of each unit. In this manner 40,000 freight cars were inspected in Michigan, and their 'present value' estimated. To me this seemed to be not only a useless procedure, but very erroneous. Aside from the great expense of thus inspecting each car and structure, I was influenced by a belief in the far greater accuracy of applying what might be termed "mortality tables of structures." If the age of a man is known, his expectation of life can be estimated from mortality tables. Insurance companies do not have their doctors guess at the man's probable life. The doctor merely reports the man as not suffering from disease, and the insurance company having the man's age, applies its mortality tables. In like manner, it seemed to me, the 'present value' of a car or locomotive could be accurately estimated if its present age were known. It is a well established fact that a freight car has a useful life exceeding 20 or 25 years. If the average car has a life of 25 years, it loses 4 per

cent. of its life every years. Hence by multiplying its age in years by four per cent., its lost life or depreciation is accurately ascertained; and, by subtracting this depreciation from 100, the remainder will give its 'present value' expressed as a per centage of its value new.

"I believed that it would be far less expensive to ascertain the age of each car, and each structure from the records of the companies, and to estimate the present value by the methods just explained than to inspect each structure in the field. This proved to be the case, and it effected a very substantial saving in the cost of the appraisal, while, at the same time, it yielded more reliable results.

"In same cases the records in the engineering office of the railways did not show the ages of existing structures, but in such cases their accounting records showed the dates when structures were built, or when cars were purchased.

"If practically all the structures shown in the accounting records are still in existence, and the money expended each year for each class of structure is known, it is a very simple matter to figure the average age of the money invested in such structures which, after all, is what is needed in estimating present value. To illustrate, suppose there are a number of station buildings in existence, whose age is not known. Suppose, however, that $10,500 was spent for such buildings in 1896, $20,000 in 1900, and $5,000 in 1902. Then in 1906, the average age of the money invested in these buildings is ascertained thus:

$10,500 x 10 yrs.. equals $105,000 one year
$20,000 x 6 yrs. equals 120,000 one year
$ 5,000 x 4 yrs. equals 20,000 one year

"This gives a total of $35,500 invested seven years; for $245,000 divided by 35,500 gives seven years approximately.

"The rule to be followed in all such cases is to multiply the money expended each year for structures of a given class by the age in years, add all these products together, and divide by the total cost of all the structures under consideration. The quotient is the average age of all the structures, or, more strictly speaking, the average age of the money invested in the structures. If some of the structures are no longer in existence, this method can still be applied. Take railway cross-ties for example. Ascertain the total value of cross-ties in the track, then go back through the records of the tie renewals, by years, until the total cost of the renewals adds up to the total value of ties now in the track. Then compute the average age as above shown. If the price of ties has fluctuated, ascertain the actual price paid, and reduce all yearly expenditures for renewals to the present price."

The railroads operating in this state, and particularly the Northern Pacific Railway Company and the Great Northern Railway Company, have anticipated the growth and development of the state, and to that end have made large investments

are procured and are holding large and valuable tracts of land, especially in Seattle, Tacoma, Everett and Spokane, for terminal grounds, the present value of which amounts to many millions of dollars. In ascertaining the cost of real estate and right of way owned by the railroads the Commission employed men expert in procuring lands for railroads for use for railroad purposes, these men making a personal inspection of every line of road within the state and every piece of property owned by the roads. In the larger cities we also employed expert real estate men of high standing and had them personally investigate all the holdings of the railroads, and on a subsequent date took their testimony as to the values. In short, as to the value of the real estate and terminals we followed the same general lines that would be pursued in court in an ordinary condemnation action.

Evidence was also introduced showing the volume and character of the business done by the several roads, including its permanency and whether likely to increase or diminish. The importance of considering this element was exemplified by a comparison of the evidence introduced by the Tacoma Eastern Railway and the Great Northern and Northern Pacific Railways. The evidence as to the Great Northern and Northern Pacific tended to show that their business in the state would tend to increase their traffic, consisting largely of the products of agriculture, horticulture and manufacture, all of which would increase in production, and that their passenger business would improve owing to the great increase in the density of population. The testimony in behalf of the Tacoma Eastern tended to show its business confined largely to forest products, and that within the next decade this traffic would of necessity be curtailed.

These considerations would clearly effect the market value of the property. We also inquiried minutely into the physical characteristics of the roads, particularly as to the grades and curves and other conditions effecting the cost of operation.

The market value of the stocks and bonds was covered for the period of six years.

Our engineers prepared tabulated statements showing unit quantities, cost per unit and total estimated cost of reproduction of the different roads, and a copy was served upon each

of the roads and ample time given the railroads to check up the work of our engineers. After this checking was done the evidence of the railroad was taken and discrepancies and omissions, which they were able to find, pointed out. These alleged discrepancies and omissions were then thoroughly investigated and gone into by the experts employed by the Commission and their testimony taken thereon. By adopting this method we feel that we have been able to arrive at an accurate conclusion as to the unit quantities and cost of reproducing the lines within the state; which last mentioned, while not the only element, is one of the controlling elements in fixing the market value of railroad property.

Tentative findings were then prepared and served upon the railroads interested and also delivered to the Tax Commission of the state. Up to this point the Commission had not fully appreciated the use to which these findings might be put and used for assessment purposes. Realizing that under the statute its findings as to the value of the property would be very material and evidentiary in determining the value of the different roads for assessment purposes, the Commission delivered to the assessors of the counties in which there are large terminal grounds copies of the tentative findings in so far as they effected the several counties, and requested their co-operation to the end that property which was owned and held by the railroad companies for the alleged purpose of operating property, but which was not being used at the time and which the evidence failed to show was necessary for the use of the company in the immediate future for operating property, might not be included as operating property, but that the same should be by the findings held to be non-operating property and thus subject to local assessment in the several counties. This has resulted in the Commission finding that property owned by the Northern Pacific Railroad Company and claimed by it to be held for future operating property in Tacoma is commercial property aggregating in value $5,000,000, and that the same company owns in Seattle property found to be commercial property aggregating in value $9,250,000, and in Spokane approximately $1,194,155, while the Great Northern alone in Seattle owns property which the findings treated as commercial exceeding in value $9,000,000.

The railroads treat mail and express in their accounts as pertaining to passenger business, and we so treated both the cost of service and the revenue, excepting that we divided the cost and revenue between state and interstate on the revenue actually received.

After producing the physical and market value of the railroad property within the state the Commission was next confronted with what appeared to be an impossible task, viz., the segregation or division of this value according to its use in the conduct of the state and interstate business respectively. As an illustration, the Northern Pacific Railway Company carries in ton miles over its lines in the State of Washington approximately 70 per cent. thereof interstate business and approximately 30 per cent. state business. It is aparent that the Northern Pacific Railway Company is not entitled to earn on this 30 per cent. use a return on the total value of its property. We were confronted with a decision of the Supreme Court of the United States in the Nabraska rate case with the statement that in considering the profits the road might be making we might not consider any profit it might be making from its interstate business. This left but one alternative, and that was the division of this value state and interstate so as to ascertain the value of the use of the railroad for the accommodation of the people of the state. This division has never been attempted by any other Railroad Commission.

The Circuit Court of the United States for the District of South Dakota attempted to make such a division for the purpose of ascertaining if the schedule of maximum rates prescribed by the Legislature of South Dakota left the Chicago, Milwaukee & St. Paul Railway Company a reasonable return on the value of its property used in South Dakota for the benefit and accommodation of the people of that state. The learned Circuit Court made his division on the gross receipts. The Supreme Court of the United States reversed this decision, holding that it was necessary to first ascertain the relative proportion of cost of operation properly chargeable to the interstate and state traffic respectively, thus ascertaining the net returns received.

The railroads were able and did furnish us the cost of operating the different operating divisions. By employing expert

accountants we ascertained from the records of the company the movement of traffic and cars over the division outside and within the state, and thus ascertained the cost properly chargeable to the State of Washington. These experts also ascertained the ton miles of freight moving over the lines within the state, the passenger miles, freight miles and engine miles moved over these different divisions and over the lines within the state, the tonnage and ton miles, passengers and passenger miles of state and interstate business respectively moving over the lines within the state, and the average distance each commodity and passenger was hauled, and from the consideration of these elements had expert witnesses testify as to the relative cost of carrying the business of the state and the interstate business over the lines within the state respectively, dividing these different elements of cost among all the classes and commodities moving within the state.

The Commission also took evidence showing the density of traffic along the different lines, the density of population, evidence tending to show whether the density of traffic and population was likely to increase or diminish; all physical characteristics of the road were ascertained which would effect the movement of traffic, and findings were made upon every element which the Commission believed an intending purchaser would consider. These findings were then presented to expert witnesses who had familiarized themselves with the movement of traffic, with the local conditions and with all the facts that would effect the traffic and the conditions which would enter into the making of rates by an honest, fair railroad man; the different tariff sheets were introduced and filed; the gross receipts arising from both state and interstate shipments, and other facts connected with the movement of traffic were presented in tabulated form, and these experts made comparisons of the rates and cost of service on the same commodities and on different commodities, state and interstate, and from a consideration of all these facts the Commission based its division of values as shown in the findings.

BEFORE THE RAILROAD COMMISSION OF WASHINGTON.

In the Matter of Ascertaining the Values of the Railroads in the State of Washington.

THE RAILROAD COMMISSION OF WASHINGTON, Complainant.

vs.

The Northern Pacific Railway Company, a corporation;
The Great Northern Railway Company, a corporation;
The Oregon Railroad & Navigation Company, a corporation;
The Washington & Columbia River Railway Company, a corporation;
The Port Townsend Southern Railroad Company, a corporation;
The Columbia River & Northern Railway Company, a corporation;
The Columbia & Red Mountain Railway Company, a corporation;
The Washington & Great Northern Railway Company, a corporation;
The Spokane Falls & Northern Railway Company, a corporation;
The Washington, Idaho & Montana Railway Company, a corporation;
The Columbia & Puget Sound Railroad Company, a corporation;
The North Yakima & Valley Railway Company, a corporation.
The Bellingham Bay & British Columbia Railroad Company, a corporation;
The Tacoma Eastern Railroad Company, a corporation.
The Iiwaco Railway & Navigation Company, a corporation.
The Seattle & Montana Railway Company, a corporation;
The St. Paul, Minneapolis & Manitoba Railway Company, a corporation;
The Washington Central Railway Company, a corporation;
The Columbia & Palouse Railroad Company, a corporation.
The Walla Walla & Columbia River Railroad Company, a corporation; and
The Snake River Valley Railroad Company, a corporation,

Defendants.

FINDINGS OF FACT.

THIS CAUSE coming on regularly to be heard before the RAILROAD COMMISSION OF WASHINGTON, after notice duly given to the defendants above named and each of them, upon the complaint filed herein, for the purpose of ascertaining the facts provided for in section 5, chapter 226 of the session laws of Washington for the year 1907; to-wit: The facts bearing upon the cost and value of the railroad property of the representative railroads in the state, as more fully appears by said complaint; the Commission appearing by all the Commissioners and by A. J. Falkner, Assistant Attorney General, as counsel for the Commission; the Northern Pacific Railway Company appearing by B. S. Grosscup, its attorney; the Great Northern Railway Company appearing by M. J. Gordon, its attorney; the Oregon Railroad & Navigation Company appearing by A. C. Spencer, its attorney; the Tacoma Eastern Railway Company appearing by E. M. Hayden, its attorney; the Bellingham Bay & British Columbia Railroad Company appearing by C. W. Howard, its attorney; the Spokane Falls & Northern Railway Company appearing by M. J. Gordon, its attorney; the Port Townsend Southern Railroad Company appearing by B. S. Grosscup, its attorney; the Washington & Columbia River Railway Company appearing by B. S. Grosscup, its attorney; the Columbia & Northern Railway Company appearing by M. J. Gordon, its attorney; the Columbia & Red Mountain Railway Company appearing by M. J. Gordon, its attorney; the Washington & Great Northern Railway Company by M. J. Gordon, its attorney; the Washington, Idaho & Montana Railway Company appearing by M. J. Gordon, its attorney; the Columbia & Puget Sound Railroad Company appearing by W .B. Stratton, its attorney; the North Yakima & Valley Railway Company appearing by Ira P. Englehart, its attorney; the Ilwaco Railway & Navigation Company appearing by A. C. Spencer, its attorney; the Seattle & Montana Railway Company appearing by M. J. Gordon, its attorney; the St. Paul, Minneapolis & Manitoba Railway Company appearing by M .J. Gordon, its attorney; the Washington Central Railway Company appearing by B. S. Grosscup, its attorney; the Columbia & Palouse Railway Company appearing by A. C. Spencer, its attorney; the Walla Walla & Columbia River Railroad Company appearing by A. C. Spencer, its attorney; the Snake River Valley Railroad Company appearing by A. C. Spencer, its attorney; all parties having announced themselves ready for trial, the evidence having been from time to time introduced on behalf of the complainant, the Railroad Commission of Washington; and evidence having been introduced by and on behalf of each of the respective railroads as to the cost of construction, reproduction and present value, volume of traffic passing over the line, and the cause having been duly argued and submitted to the Commission concerning the cost of construction, reproduction and present value, and it being expressely stipulated by and between the respective parties hereto that the Commission should make and render its findings of fact upon the cost of construction,

the cost of reproduction and the physical values of the properties of said railroad companies, and each of them, before attempting to divide the value of the use to which the respective properties were severally put in the conduct of intrastate and interstate business respectively, and it being expressely stipulated by and between the parties hereto, that the cause is continued for the taking of further testimony as to the value of the use to which said several properties are put in the conduct of intrastate and interstate business, respectively, and the Commission being fully advised in the premises does now make and render upon the questions so submitted, the following findings of fact:

FINDINGS OF FACT APPLICABLE TO THE NORTHERN PACIFIC RAILWAY COMPANY.

Finding No. 1.

That the Northern Pacific Railway Company is a corporation duly organized and existing under and by virtue of the laws of the state of Wisconsin, and has complied with the laws of the state of Washington concerning foreign corporations; and as such corporation is the owner of lines of railroad within the state of Washington, and is engaged as a common carrier in the carriage of freight and passengers for hire ,over such lines within the state.

No. 2.

That the Northern Pacific Railroad Company owned and operated the lines above mentioned in the state of Washington, together with other lines owned and operated by the said Northern Pacific Railroad Company in other states, extending from Duluth, Minnesota, to the state of Washington, including thirty-one million acres of land, which was purchased at a mortgage foreclosure sale by the Northern Pacific Railway Company on the 15th day of October, 1906, for the sum of $55,000,000.00. That an action had been duly commenced to foreclose a mortgage upon said property of the Northern Pacific Railroad Company and a reorganization agreement was arrived at prior to such sale by the plaintiff, mortgagee, and representatives of said railroad and the holders of a large portion of the stock and bonds of the said railroad company, by which reorganization agreement a new company was to be formed and organized which should bid in said property at a foreclosure sale and the owners and holders of the stock and bonds of the said Northern Pacific Railroad Company were to be protected by receiving stocks and bonds in such new corporation in exchange for the stocks and bonds of said railroad company held and owned by them, which said agreement was carried out, the Northern Pacific Railway Company being organized and becoming the purchaser of said railroad property at the foreclosure sale as aforesaid, a copy of said agreement being hereunto annexed, marked "Exhibit A," and made a part of these findings.

No. 3.

That the main line of the Northern Pacific Railroad Company as originally constructed in the state of Washington, consisted of a line extending from the Washington and Idaho boundary, from a point near Newman Lake, westerly and southerly to Wallula Junction, from Pasco westerly and northwesterly to Tacoma, and the Twenty-third street line in Tacoma 1.95 miles. Numerous branch lines were purchased and constructed by said Northern Pacific Railroad Company and by the Northern Pacific Railway Company, and the main line of the Northern Pacific Railway Company as now operated, consists of the portion above mentioned, less that portion between Palmer Junction and Meeker, together with a line extending southerly from Tacoma to Kalama, westerly from Palmer Junction to Auburn, southerly from Palmer Junction to Meeker, and northerly from Auburn to Sumas, and Colorado street line in Seattle 2.77 miles, a total distance of 687.68 miles. The branch lines of said railway company as now operated consist of the Palouse & Lewiston branch, extending from Marshal Junction southerly to the Idaho state line, a distance of 84.4 miles; the Farmington branch, extending from Belmont to Farmington, a distance of 5.88 miles; the Genesee branch, extending from Pullman Junction southerly to the Idaho state line, a distance of 20.34 miles; the Washington & Columbia River branch, extending from Hunt's Junction easterly to Dayton, and a branch from Eureka Junction to Pleasant View, a branch from Mill Creek Junction to Tracey and a branch southerly from Hunt's Junction to the Oregon state line south, said Washington and Columbia River branch having a total mileage of 123.90 miles; the Sunnyside branch extending from Sunnyside Junction to Grand View, a distance of of 25.15 miles; the Roslyn branch, extending from Clealum to Roslyn, a distance of 5.40 miles; the Buckley line, extending from Palmer Junction to Meeker, a distance of 33.57 miles; the Green River branch, extending from Kanaskat to "End of Track," a distance of 14.79 miles; the Burnett branch extending from Cascade Junction to Pittsburg, a distance of 3.53 miles; the Wilkeson branch, extending from Cascade Junction to Wilkeson and Fairfax, a distance of 16.62 miles; the Crocker branch, extending from Crocker to Windgate, a distance of 5.44 miles; the Orting branch, extending from Orting to Puyallup, a distance of 7.60 miles; the Snoqualmie branch, extending from Snoqualmie to Sallal, a distance of 39.19 miles; the Everett branch, extending from Snohomish to Everett, a distance of 11.41 miles; the Tacoma Tide Flat branch, 1.06 miles; the Darrington branch, extending from Arlington to Darrington, a distance of 28.08 miles; the Monte Cristo branch, extending from Hartford to Monte Cristo, a distance of 42.12 miles; the Bellingham branch, extending from Wickersham to Bellingham, a distance of 22.74 miles; the Seattle Belt Line branch, extending from Woodinville to Black River Junction, a distance of 24.04 miles; the Olympia branch, extending from Lake View to Centralia, a dis-

tance of 56.43 miles; the Grays Harbor branch; extending from Gate to Ocosta, a distance of 53.04 miles; the Elma branch, extending from Elma to Simpson, a distance of 9.99 miles; the Peninsular branch, extending from Aberdeen Junction to Moclips, a distance of 34.68 miles; the Cosmopolis branch, extending from Cosmopolis Junction to Cosmopolis, a distance of 1.81 miles; the South Bend branch, extending from Chehalis to South Bend, a distance of 56.68 miles; the Vancouver branch, extending from Kalama to Vancouver, a distance of 29.81 miles; the Yacolt branch, extending from Vancouver to Yacolt, a distance of 27.30 miles; and the Spokane & Seattle Railway branch, extending from Davenport to Denny's, a distance of 20 miles.

That in addition to the branch lines above described, the Northern Pacific Railway Company operates under a lease as hereinafter more fully set out, as part of its system, the line known as the Washington Central branch, extending from Cheney to Adrian, a distance of 130.63 miles, and also operates under a lease, as hereinafter particularly described, the two branches known as the Port Townsend Southern, extending from Tenino to Olympia, a distance of 15 miles, and from Port Townsend to Quilcene, a distance of 26.20 miles; making a total branch line owned and operated by the Northern Pacific Railway Company of 673.95 miles; spurs from main line aggregating 69.27 miles, and branch line spurs aggregating 27.89 miles, making a total mileage, including branches and spurs, of 811.11 miles, and mileage operated under lease of 130.63 miles.

No. 4.

That that portion of the main line of the Northern Pacific Railway Company extending from the Washington-Idaho boundary near Newman Lake to Ainsworth, Washington, was constructed by the Northern Pacific Railroad Company, between the years 1879 and 1882, and was a portion of the Pend d'Oreille Division extending from Ainsworth easterly through Washington to Sandpoint, Idaho, a distance of 225 miles, 167.5 miles of which are in the state of Washington; the total cost, in cash, of such division to the time the same was turned over to the operating department, was the sum of $5,419,994.78.

That there is charged to such division, in addition to the sum last above mentioned, the sum of $1,839,400 as discount on bonds, making a total charge to such division, as shown by the accounting records, of $7,259,394.78, and that the cost of that portion o fthe Pend d'Oreille Division in Washington, exclusive of betterments and improvements, was the sum of $5,406,102.67.

That that portion of the main line extending from Ainsworth to Wallula, a distance of 12 miles, known as the Columbia River division, was built by the Northern Pacific Railroad Company, and cost cash, exclusive of sums spent after the same was turned over to the operating department, and charged to betterments and improvements, the sum of $231,112.97.

That the bridge across the river at Ainsworth was constructed by the Northern Pacific Railroad Company and cost $1,090,218.31.

That after the lines, in this paragraph mentioned, were turned over to the operating department of the Northern Pacific Railroad Company and down to the first day of September, 1896, there was expended on such division, that is to say that portion of the line from the Idaho boundary to Wallula, for betterments and improvements, the sum of $449,893.41, making a total cost to the Northern Pacific Railroad Company, including discount, down to the first day of September, 1896, of the sum of $7,177,327.36.

That since said last mentioned date, to-wit, September 1st, 1896, the betterments and improvements on the division herein described, have been charged upon the boks of the Railway Company to the Idaho division, said Idaho division in Washington extending from the boundary line between Idaho and Washington to Ellensburg, and has not been otherwise apportioned, the amount expended on such operating division in betterments and improvements is hereinafter set out.

No. 5.

That that portion of the line of the Northern Pacific Railway company extending westerly from Pasco to Tacoma and northerly from Meeker to Stuck Junction, was constructed between the years 1881 and 1887.

That that portion between Tacoma and Wilkeson was constructed between 1881 and 1883. The construction work on the balance of said line being principally performed between the years 1885 and 1887, said portion being known at the time as the Cascade division.

That the total cost of said division, exclusive of improvements, charged to betterments and improvements was the sum of $9,836,329.16, and in addition thereto the bridge at Kennewick crossing the Columbia River, cost the sum of $477,935.22.

That since turning said division over to the operating department and up to the first day of September, 1896, there was expended in betterments and improvements and charged to betterments and improvements, the sum of $311,034.36, making a total cost, including said bridge, down to the first day of September, 1896, of $10,625,298.74. Since said first day of September, 1896, betterments and improvements on such division have been charged, that portion between Pasco and Ellensburg to the Idaho division, as above described, and that portion between Ellensburg and Tacoma to the Pacific division hereinafter referred to, and such betterments and improvements have not been by said railway company otherwise apportioned. The amount expended on such divisions in betterments and improvements is hereinafter set out.

No. 6.

That that portion of the main line of the Northern Pacific Railway Company ,extending from Palmer Junction westerly to Auburn, a distance of 21.76 miles, was constructed by the Northern Pacific Railway

Company between the years 1899 and 1903. That the total cost of said line, excluding the betterments and improvements thereon, was the sum of $824,833.42.

That since turning the said line over to the operating department the betterments and improvements from such line have been charged to the Pacific division herein before referred to. The amount expended on such division on betterments and improvements is hereinafter set out .

No. 7.

That that portion of the main line extending from Tacoma to Kalama was constructed prior to September 29th, 1875, by the Northern Pacific Railroad Company, and has cost, including a charge for interest and discount amounting to the sum of $186,823.17, and excluding all sums expended for improvements and betterments, charged to betterments and improvements, the sum of $5,346,367.69.

That between the dates when said division between Tacoma and Kalama was turned over to the operating department, in 1875, and the 16th day of September, 1896, there was expended thereon, charged to improvements and betterments, the sum of $1,017,816.95. That since September, 1896, the expenses for betterments and improvement on said portion of the line, have been by said company charged to the "Pacific Division," which included all the line of the Northern Pacific Railway Company west of Ellensburg and south of Argo, and has not been otherwise apportioned, the amount expended on such Pacific division in betterments and improvements is hereinafter set out.

No. 8.

That that portion of the line of the Northern Pacific Railway Company extending from Meeker northerly to Stuck Junction was constructed by the Northern Pacific and Puget Sound Shore Railroad Company about the year 1884, and cost such Northern Pacific and Puget Sound Shore Railroad Company the sum of $258,119.90, exclusive of betterments and improvements placed thereon, the cost of such line, however, is included in the original cost of the line from Pasco to Tacoma, and Meeker to Stuck Junction hereinbefore set out.

That said portion of the main line of the Northern Pacific Railroad Company extending from Stuck Junction to Seattle was constructed by the Puget Sound Shore Railroad Company at a cost of $692,906.15, exclusive of betterments and improvements placed thereon subsequent to March 31st, 1884.

That between the 31st day of March, 1884, and September 16th, 1896, there was expended for betterments and improvements on the said line between Meeker and Seattle, the sum of $162,217.15.

That subsequent to 1900 a new line was constructed between Seattle and Argo, at a cost of $248,573.74, and a double track laid from Auburn to Seattle at a cost of $290,352.90.

That improvements and betterments placed on said track from

Meeker to Argo, subsequent to September 16th, 1896, have been charged to the said Pacific division and improvements and betterments on that portion between Argo and Seattle have been, since said last mentioned date, charged to the Seattle division, which are hereinafter set out.

No. 9.

That that portion of the main line extending from Seattle to Sumas was constructed by the Seattle Lake Shore and Eastern Railway Company between the years 1888 and 1891, and said last named company under the name of the Spokane and Seattle, also constructed the line of road from Spokane to Davenport and constructed what is known as the Snoqualmie branch, extending from Woodinville Junction to North Bend. That said Seattle Lake Shore and Eastern Railway Company was organized with a capital stock of $4,150,000 par value. That it issued its mortgage bonds on the lines herein described in the sum of $5,675,000.00.

That the Northern Pacific Railroad Company became the purchaser of $3,162,650 par value of the said capital stock, paying therefor, as shown by their accounting records, $1,742,003.71, and said Northern Pacific Railroad Company became the purchaser of $5,670,000 of said mortgage bond issue, paying therefor the sum of $4,433,713.21. That thereafter the Seattle Lake Shore and Eastern Railway Company defaulted in the payment of interest and a receiver was appointed and the company was reorganized, the Northern Pacific Railroad Company guaranteeing the payment of interest on the bonds at the rate of 4 per cent. per annum and the Northern Pacific Railroad Company became the purchaser at the foreclosure sale of the property of the Seattle Lake Shore & Eastern Railway Company, subject to the payment of the interest on the bonds as aforesaid. That said $5,670,000 worth of bonds, and said $3,162,650 par value of stock is now held by the Northern Pacific Railway Company as a muniment of title, the title of the Northern Pacific Railway Company to said property being subject to $5,000 worth of bonds outstanding, bearing interest at 4 per cent. per annum.

No. 10.

That that portion of the branch line of the Northern Pacific Railway Company, known as the Lake Washington belt line, extending from Woodinville Junction to Black River Junction, was originally constructed by the Northern Pacific & Puget Sound Shore Railroad Company, about the year 1891, but owing to engineering difficulties being encountered, a continuous line was not constructed.

That said Northern Pacific & Puget Sound Shore Railroad Company expended thereon the sum of $590,760.96.

That subsequently said road was practically abandoned, the rails being removed, and said Northern Pacific & Puget Sound Railway Company allowed salvage from rails, etc., amounting to $45,833.15, leaving a balance of $544,927.81 original cost. That subsequent to the

year 1901, the Northern Pacific Railway Company constructed a line between Kirkland Junction and Black River Junction at a cost, exclusive of betterments and improvements charged to the Seattle division, of $576,878.21. That said Northern Pacific & Puget Sound Shore Railroad Company was a subsidiary corporation of the Northern Pacific Railroad Company.

No. 11.

That that portion of the branch line of the Northern Pacific Railway Company known as the Palouse & Lewiston branch, extending southerly from Marshall Junction to the Idaho line, consisting of 110.26 miles, was constructed by the Spokane & Palouse Railroad Company, a subsidiary corporation to the Northern Pacific Railroad Company. The said Spokane & Palouse Railroad Company was organized with a capital stock of $1,000,000.00, par value. It constructed said line from moneys loaned or advanced to it by the Northern Pacific Railroad Company, at a total cost, up to the time the construction account was closed, and the line turned over to the Northern Pacific Railroad Company, of $1,729,116.77, and the same cost the Northern Pacific Railroad Company, as shown by its accounting records, down to the 16th day of September, 1896, the sum of $2,062,416.68. That betterments and improvements on said division subsequent to the 16th day of September, 1896, have been charged to the Idaho division and are not otherwise apportioned and are hereinafter referred to. That as before stated the line herein mentioned was constructed by the Spokane & Palouse Railroad Company with moneys advanced or loaned to it by the Northern Pacific Railroad Company; that in the latter part of the year 1887, the Spokane & Palouse Railroad Company issued its first mortgage bonds in the sum of $1,766,000.00 and delivered the same to the Northern Pacific Railroad Company between such date and June 30, 1888. That the Northern Pacific Railroad Company disposed of such bonds to the public, such bonds bringing a premium in excess of $500.00. That upon the reorganization and acquisition of the Northern Pacific Railroad Company by the Northern Pacific Railway Company in 1896, said bond issue was surrendered by the holders thereof to the Northern Pacific Railway Company and new bonds of the reorganized company issued to such holders in accordance with the terms of said agreement.

No. 12.

That that portion of the branch line operated by the Northern Pacific Railway Company, extending from Cheney to Coulee City, a distance of 108 miles, was built by the Central Washington Railroad Company, a subsidiary corporation of the Northern Pacific Railroad Company, between the years 1890 and 1893, at a cost of $1,958,195.06.

That the Northern Pacific Railroad Company advanced to the Central Washington Railroad Company moneys with which to construct said road.

That the Central Washington Railroad Company issued its bonds in the sum of $2,150,000, and delivered the same to the Northern Pacific Railroad Company, and the Northern Pacific Railroad Company disposed of $1,750,000 of said bond to the public, realizing 92.5 per cent. on the face value thereof, retaining in its treasury $400,000 worth of such bonds. That in addition to the sum of $1,958,195.06, it has spent for improvements $4,073.63, making a total cost as shown by the accounting records to the year 1896 of $1,902,268.69. That such portion of the branch line extending from Coulee Junction to Adrian was constructed by the Northern Pacific Railway Company about the year 1901 to 1903, at a cost of $512,653.94.

That the betterments and improvements placed on that portion of the line from Cheney to Coulee City since 1896 and the betterments and improvements on the remainder of the said line since the same was turned over to the operating department, have been charged to the Idaho division, and have not been otherwise apportioned, and said expenditure is hereinafter set out.

No. 13.

That that portion of the branch line of the Northern Pacific Railway Company, extending from Sunnyside Junction to Grandview, was constructed by the Northern Pacific Railway Company about the year 1903, and the same cost, from Sunnyside Junction to Sunnyside, the sum of $182,539.57, and that portion of the line from Sunnyside to Grandview has been charged to betterments and improvements on the Idaho division ,which betterments and improvements are hereinafter set out.

No. 14.

That that portion of the branch line of the Northern Pacific Railway Company extending from CleElum to Ronald and known as the Rosslyn branch, being 5.41 miles in length, was constructed by the Cle Elum Railroad Company, about the year 1890, at a cost to the Cle Elum Railroad Company of $216,719.42, exclusive of betterments and improvements, charged to betterments and improvements, between the time when the same was turned over to the operating department, and the date of the re-organization of the Northern Pacific Railway Company in 1896, which improvments and betterments amounted to the sum of $17,657.41, making a total cost down to September, 1896, of the sum of $234,376.83, and that all improvements and betterments since that date have been charged to the Pacific division, which betterments and improvements are hereinafter set out.

That the Cle Elum Railroad Company is a subsidiary corporation of the Northern Pacific Railroad Company, having a capital stock of $300,000, and having issued its bonds, which were turned over to the Northern Pacific Railroad Company in the sum of $68,000.

That on the 1st day of May, 1886, and prior to the construction of said road the Northern Pacific Railroad Company secured a lease

for said road for the term of 999 years, and upon the reorganization of said Company in September, 1896, the Northern Pacifi Railway Company became the owner of said property in the reorganization.

No. 15.

That that portion of the branch line of the Northern Pacific Railway Company extending from Kanaskat to "End of Track," consisting of 14.79 miles, was constructed by the Green River & Northern Railroad Company, between the years 1888 and 1890. That said Green River & Northern Railroad Company was a subsidiary corporation of the Northern Pacific Railroad Company, having a capital stock of $424,000.00, cash value. That said railroad cost the Green River & Northern Railroad Company and the Northern Pacific Railroad Company down to September, 1896, including betterments and improvements the sum of $424,284.09, and on or about the year 1901 the Northern Pacific Railway Company built an addition to the said line at an expenditure of $85,146.64. That betterments and improvements placed upon said property since 1896, other than the amount expended for such extension, have been charged to the Pacific division, and are not otherwise apportioned, which betterments and improvements on said Pacific division are hereinafter set out. That the said road was built with moneys advanced to the Green River & Northern Railroad Company by the Northern Pacific Railroad Company and upon completion the said Green River & Northern Railroad Company issued its mortgage bonds on said road for the sum of $375,000.00 and delivered the same to the Northern Pacific Railroad Company and the same were disposed of by the Northern Pacific Railroad Company to the public. That upon the reorganization of the said company in 1896, the holders of said bonds surrendered the same to the reorganized company and accepted in lieu thereof the bonds of the reorganized company. The capital stock of the said Green River & Northern Railroad Company, amounting to $424,000.00, was turned over to the Northern Pacific Railway Company and is held by it as a muniment of title.

No. 16.

That those portions of the branch line of the Northern Pacific Railway Company, extending from Burnett to Pittsburg, a distance of 3.53 miles, and that portion known as the Wilkenson branch, extending from Cascade Junction to Carbonado, a distance of 7.51 miles, that portion of said line last mentioned extending to Wilkenson, a distance of 1.98 miles; that portion of the line extending from Carbonado to Fairfax, a distance of 7.12 miles, and that portion of the line known as the Crocker branch, extending fromCrocker to Carbonado, and that portion of the line known as the Orting branch, extending from Orting to "End of Track," at the Puyallup river, a distance of 7.64 miles, cost, including betterments and improvements, down to September, 1896, the sum of $750,000.00. That since the 16th day of September, 1896, betterments and improvements on said line

have been charged to the Pacific division and which betterments and improvements are hereinafter set out.

That the Northern Pacific & Cascade Railroad Company was organized with a capital stock of $225,000.00, and was a subsidiary corporation of the Northern Pacific Railroad Company; that the Northern Pacific Railroad Company advanced the money to build said lines; that said Northern Pacific & Cascade Railroad Company owned the line entending from Tacoma to Wilkeson and that it built the Burnett branch, the Crocker branch, the Fairfax branch, the branch extending from Orting to the Puyallup River and the branch extending from Crocker to Doty; that it issued its mortgage bonds in the sum of $388,000.00, and turned the same over to the Northern Pacific Railroad Company and the Northern Pacific Railroad Company disposed of said bonds. Thereafter in 1889 the Northern Pacific Railroad Company delivered its consolidated bonds to the amount of $208,000.00, and in 1893 to the amount of $180,000.00, to the holders of the bonds of the Northern Pacific & Cascade Railroad Company and received said bonds of $388,000.00, and they are now owned by the Northern Pacific Railroad Company and held by the trustee as a muniment of title. Thereafter and upon the reorganization of the said Northern Pacific Railway Company in 1896, the consolidated mortgage bonds were surrendered to the reorganized company and the reorganization company issued its bonds in exchange therefor. All bonds surrendered to the reorganized company as in this finding stated and for which the reorganized company delivered in exchange therefor, the bonds of the reorganized company were exchanged as follows: for each $1,000.00 worth of bonds the Northern Pacific Railway Company delivered $665.00 worth of the Northern Pacific Railway Company general line of 3 per cent. bonds and $625.00 of preferred stock of the Northern Pacific Railway Company, making a stock and bond exchange of $1,290.00 stock and bonds for each $1,000.00 stock and bonds so taken up.

No. 17.

That those portions of the branch lines known as the Olympia branch, extending from Lakeview to Black River, near Gate, the Gray's Harbor branch, extending from Centralia to Ocosta, the Cosmopolis branch, extending from Cosmopolis Junction to Cosmopolis, the South Bend branch, extending from Chehalis to South Bend, consisting of 167.83 miles, were constructed by the United Railroads of Washington, a subsidiary corporation to the Northern Pacific Railroad Company, and cost, including betterments and improvements down to the month of September, 1896, the sum of $4,946,513.59. That since said date the betterments and improvements have been charged to the Pacific division and are not otherwise apportioned, which charge is hereinafter set out.

That on the branch lines extending from Aberdeen Junction to Moclips, that portion between Aberdeen Junction and Hoquiam was

built by the Northern Pacific Railroad Company and charged to betterments and improvements on the Pacific division, and is not otherwise apportioned.

That that portion extending from Hoquiam to Moclips was built by the Northern Pacific Railway Company and cost the Northern Pacific Railway Company, up to the time the same was turned over to the operating department, the sum of $762,187.22.

That that portion of the branch line extending from Elma to Simpson was purchased by the Northern Pacific Railway Company after construction, and the amount expended for the same and in betterments is charged to betterments and improvements on the Pacific division, and is not otherwise apportioned, but is hereinafter set out.

That the United Railroads of Washington was organized with a capital stock of $4,961,000.00; that the moneys for the construction of said road were advanced by the Northern Pacific Railroad Company from its treasury to the United Railroads of Washington; that the United Railroads of Washington issued its mortgage bonds against the said property for the sum of $5,298,000.00 and delivered the same to the Northern Pacific Railroad Company and the Northern Pacific Railroad Company disposed of said bonds to the public; that upon the reorganization in 1896, the bonds of the United Railroads of Washington were delivered to the reorganized company and the bonds and preferred stock of the reorganized company were issued and delivered to such bond holders in exchange therefor, on the basis of $665.00 of general lien 3 per cent. bonds and $625.00 in preferred stock for each $1,000.00 worth of such United Railroads of Washington bonds, and the capital stock of said United Railroads of Washington, and such bonds of said company are now held by the Northern Pacific Railroad Company as a muniment of title.

No. 18.

That those portions of the branch line of the Northern Pacific Railway Company extending from Kalama to Vancouver; from Vancouver to Yacolt, was constructed by the Washington & Oregon Railroad Company and the Portland ,Vancouver & Yakima Railroad Company, which companies were merged and were afterwards known as the Washington Railway & Navigation Company. The Washington Railway & Navigation Company being a subsidiary corporation of the Northern Pacific Railroad Company, and said branch lines cost, down to the time the same were turned over to the operating department of the Northern Pacific Railway Company, according to the accounting records of the Northern Pacific Railway Company, the sum of $2,103,663.83.

No. 19.

That that portion of the branch lines of the Northern Pacific Railway Company, extending from Everett to Snohomish, was constructed by the Everett & Monte Cristo Railway Company and was sold by

the said company in the year 1901, to the Northern Pacific Railway Company for the sum of $750,000, and that portion of the branch line extending from Hartford Junction to Monte Cristo was purchased from the Everett & Monte Cristo Railway Company in the year 1903 by the Northern Pacific Railway Company for the sum of $512,412.89. That betterments and improvements on the two branches last hereinbefore described, since the said lines were purchasd by the Northern Pacific Railway Company, have been charged to the Seattle division, which betterments and improvements are hereinafter set out.

No. 20.

That that portion of the branch line extending from Arlington to Darrington was constructed by the Northern Pacific Railway Company about the year 1901, and cost, down to the time the same was turned over to the operating department, the sum of $546,684.93, and that betterments and improvements on said line, since the same was turned over to the operating department, has been charged to the Seattle division and not otherwise apportioned, which betterments and improvements are hereinafter set out.

No. 21.

That that portion of the branch line extending from Wickersham to Bellingham was constructed by the Bellingham Bay & Eastern Railroad Company and was purchased by the Northern Pacific Railway Company in the year 1906, and cost the Northern Pacific Railway Company the sum of $632,400.11.

No. 22.

That at the time of the commencement of this action the Washington & Columbia River Railway Company was a separate corporation, the capital stock being owned by the Northern Pacific Railway Company. That since said time the said line has been taken over by the Northern Pacific Railway Company and the same is now owned by it and operated as a part of its system.

No. 23.

That the branch line of the Northern Pacific Railway Company known as the Washington & Columbia River Railroad Company, consists of a line extending from Hunt's Junction to Eureka Junction, and Pleasant View, from Eureka Junction through Walla Walla to Dayton, and to Tracy, and a line extending southerly from Hunt's Junction to the Washington-Oregon Boundary, and from Hunt's Junction to Wallula, consisting of 123.91 miles.

The said road cost the Washington & Columbia River Railway Company, exclusive of right-of-way and real estate and any allowance for legal and general expense, and discount on bonds, and exclusive of equipment, the sum of $2,156,079.25.

That the accounting records of the Northern Pacific Railway Com-

pany show said line to have cost, down to July 1st, 1907, the sum of $5,029,887.14, including equipment and real estate.

No. 24.

That that portion of the branch line operated by the Northern Pacific Railway Company, and known as the Port Townsend Southern Railway Company, was constructed by and is still owned by the Port Townsend Southern Railway Company, said Port Townsend Southern Railway Company is a subsidiary corporation of the Northern Pacific Railway Company, and the capital stock of said Port Townsend Southern Railway Company being owned by the Northwestern Improvement Company, a subsidiary corporation of the Northern Pacific Railway Company.

That said Port Townsend Southern Railway Company is in two sections, one section thereof extending from Olympia to Tenino, being 15 miles in length, and the other section extending from Port Townsend to Quilcene, and being 26.2 miles in length.

That the Commission has been unable to find any accounting records showing the cost of construction on such branch line, but based upon an inspection and estimate it is estimated that the same cost the Port Townsend Southern Railway Company, exclusive of its equipment, the sum of $642,774.37.

No. 25.

That since September, 1896, the said main and branch lines herein before set out have been improved by bank widening, bridge filling, erection of structures and general improvements to the lines, which improvements as hereinbefore stated, have been charged to the different operating divisions along said line.

That the improvements and betterments so charged on the Idaho division in the state of Washington,amount to the sum of $1,771,325.76.

That the improvements and betterments charged to the Pacific division since September, 1896, amount to the sum of $3,540,673.88.

That the improvements and betterments charged to the Seattle division since September, 1896, amount to the sum of $1,010,079.29.

Making a total improvements and betterments since 1896 of the sum of $6,322,078.93.

No. 26.

That in addition to the amounts herein before set out, the Northern Pacific Railway Company has expended for the purchase of real estate, right-of-ways and terminal grounds, and filling and improving the same, in the city of Tacoma, $660,558.15; for the purchase of real estate at Yardley, $20,105.16; for the purchase of tide lands and terminals, grading and constructing side tracks, construction of Seattle tunnel and station not hereinbefore set out or otherwise apportioned, $3,704,068.25; for the purchase of the Bayside line in Everett and expenses on Everett Dock property, $19,898.79; for the purchase of real estate in Fairhaven, $5,005.90; for the purchase of the San Fran-

cisco Railway & Navigation Company's line in Seattle, $482,121.42, and the records show a further expenditure undistributed of $236,305.63.

And for purchasing right-of-way during the years 1906 and 1907, for widening the line in Tacoma from Old Town to the Smelter, $320,096.00.

No. 27.

That the accounting records of the Northern Pacific Railway Company show all sums that have been expended on the entire system irrespective of whether the same is now in existence or not, for equipment, without allowing credit for destroyed or worn out equipment, and such total cost has been distributed to the state of Washington on a locomotive and car mileage basis, and on such distribution the records show there is chargeable to the state of Washington for equipment, the sum of $11,480,936.24.

No. 28.

That the accounting records of the Northern Pacific Railway Company show that there was paid for discounts, commissions, etc., after the year 1875, the sum of $18,684,005.16; and there was charged on such accounting records for discount and commission, in addition to the sum above mentioned, directly to the lines in the state of Washington, the sum of $2,100,275.49, which sum of $18,684.005.16 being distributed to the state of Washington based on the ratio of the construction expenditures in Washington to the total capital equipment and expenditures of the system to August, 1896, amount to a total sum of $6,265,982.73, chargeable to the lines in the state of Washington, which sum includes said sum of $2,100,275.49.

No. 29.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles, culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. on the items mentioned in connection with engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

That a reasonable and fair allowance for interest during construction would be seven and one-half per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment, legal and general expenses, costs of engineering and the value of the right-of-way and terminals.

No. 30.

That in order to reproduce the lines hereinbefore mentioned as owned and operated by the Northern Pacific Railway Company, including the Washington & Columbia River Railway Company and the Port Townsend Southern Railway Company in the condition in which the same were on the 30th day of June, 1906, considering the improvements and structures as new, it would be necessary to expend for engineering, superintendence, clearing, grubbing, grading, construction of tunnels, construction of bridges, trestles, culverts, laying of ties and rails, track fastenings, frogs and switches, ballast, track laying, surfacing, fencing, right-of-way, snow fences, sheds, crossings, cattle guards and signs, telegraph lines, station buildings and fixtures, engine houses, turn tables, engine and car shops, shop machinery and tools, water stations, fuel stations, stock yards, interlocking and signal apparatus, docks and wharves, coal bunkers and ferries, and inclines, section and tool houses, miscellaneous structures, legal and general expenses, interest during construction and for stores on hand, but not including right-of-way, terminal grounds and equipment, the sum of $61,680,340.75.

No. 31.

That of the bridges, trestles and culverts along said line, wooden bridges would depreciate materially, while iron bridges but slightly, that the present value of the bridges, trestles and culverts, allowing for the depreciation, is approximately 84.7 per cent. of thenr value new.

That the ties would have depreciated so that their present value is 50 per cent. of their value new.

That the rails, track fastenings, frogs and switches have depreciated so that the present value is approximately 80 per cent of their value new.

That the fencings, crossings, cattle guards and signs along the right-of-way have depreciated so that the present value is approximately 55 per cent. of their value new.

That the snow protection has depreciated so that its present value is approximately 72 per cent. of its value new.

That the present value of the telegraph lines is approximately 75 per cent. of its value new.

That the present value of the station buildings and fixtures is approximately 81.5 per cent of their value new.

That the present value of the engine houses and turn tables is approximately 68.2 per cent of their value new.

That the present value of the engine and car shops is approximately 66.4 per cent of their value new. That the present value of the shop machinery and tools is approximately 65 per cent. of their value new.

That the present value of the water stations is approximately 65 per cent. of their value new.

That the present value of the fuel stations is approximately 77.5 per cent. of their value new.

That the present value of the stock yards is 45.5 per cent of their value new.

That the present value of the interlocking apparatus is 85 per cent. of their value new.

That the present value of the docks and wharves and coal bunkers is 75 per cent of their value new.

That the present value of the section and tool houses and miscellaneous structures is approximately 61 per cent. of their value new. That the cash market value of the said property on the 30th day of June, 1906, not including real estate, terminal grounds and equipment, based solely on the cost of reproduction, was the sum of $55,475,827.25.

No. 32.

That the locomotives assigned to and used upon the lines of the Northern Pacific Railway Company, in the state of Washington, cost new, the sum of $3,689,522.18.

That since the purchase of said locomotives, locomotives have advanced in price, and it would cost to reproduce the same new the sum of $4,242,950.51.

The said locomotives have been in use an average of ten years. That there would be an annual depreciation on such locomotives, making due allowance for salvage while in use of approximately 3.6 per cent. That the present cash market value of said locomotives is the sum of $2,715,488.33.

That the original cost of the passenger coaches and equipment of the lines owned and operated by the Northern Pacific Railway Company in the state of Washington, is the sum of $1,598,184.34.

That it would cost to reproduce said passenger equipment new as of the 30th day of June, 1906, the sum of $1,837,911.98.

That such equipment has been in use an average of 11.1 years, with an annual depreciation of approximately 3.6 per cent, and that the present cash market value of such passenger equipment is the sum of $1,102,766.43.

That the freight equipment properly assignable to the state of Washington, used by the Northern Pacific Railway Company, cost $5,665,563.95. That it would cost to reproduce the same new, $8,040,254.90.

That such freight equipment has been in use an average of 8.2 years, with an annual depreciation of approximately 3.6 per cent., and that the present depreciated value of such freight equipment is the sum of $5,668,379.72.

That the work and miscellaneous equipment properly assignable and chargeable to the state of Washington, cost originally the sum of $524,850.

That it would cost to reproduce the same new the sum of $603,-

578.55. That the same has been in use an average of eight years, with an annual depreciation of approximately 3.6 per cent., and the present market value thereof is approximately the sum of $425,522.88, making a total present cash value of all equipment properly chargeable and assignable to the state of Washington, used by the Northern Pacific Railway Company on any and all of the lines in the state operated by it, of the sum of $9,677,946.87.

No. 33.

That in order to reproduce the right-of-way used for railroad purposes it is necessary to pay, in addition to the market value of the land taken, prices ranging from such market value to 500 per cent. in excess thereof, to cover consequential damages to the land not taken and because of the necessities of the railway company to have the particular land sought.

No. 34.

That it would cost to reproduce the right-of-way and terminals of the Northern Pacific Railway Company, used by it for railroad purposes and such as will be necessary for its use in the immediate future, the sum of $32,862,872.00, which sum is divided along the line of the Northern Pacific Railway Company as hereinafter set out.

That the Northern Pacific Railway Company received a grant from the United States for right-of-way purposes across public domain, and lands owned by the United States, 400 feet in width, along its main line. That at the time of such grant and of the construction of the main line large portions of the territory along the main line of the said railroad was public lands belonging to the United States, and the said Northern Pacific Railway Company thus secured a strip for right-of-way purposes 400 feet in width. That such strip 400 feet in width is not used by the said railroad company for right-of-way purposes nor is the same necessary for the use of said road or such as will be anticipated in the immediate future for railroad purposes, and that a strip of land 50 feet in width on either side of the center line of its main track, excepting through the towns and cities, is ample for the needs of said railroad company and is all the land that said company will use for railroad purposes, and that through the incorporated towns and cities the full width owned by the railroad company for right-of-way purposes has been allowed.

That in order to reproduce the right-of-way necessary for the use of the Northern Pacific Railway Company, along its main line, in the county of Spokane, excluding therefrom the property used by it in the corporate limits of the city of Spokane, would cost the sum of $102,835.00.

That in order to reproduce the property owned and used by the Northern Pacific Railway Company along its main line in the county of Lincoln, and such as will be necessary for its immediate future use, would cost $65,419.00.

That to reproduce the real estate and right-of-way along the main line of the said railroad company in the county of Adams, would cost the sum of $147,099.00.

That to reproduce the real estate and right-of-way along the main line of the said railroad in Franklin county, would cost the sum of $62,720.00.

That to reproduce the right-of-way and terminals along the main line of the said railroad in Benton county, would cost the sum of $136,530.00.

That to reproduce the right-of-way and terminals of said railroad along its main line in Yakima county, would cost the sum of $910,-854.00.

That to reproduce the right-of-way and terminals along the main line of said railroad in Kittitas county, would cost the sum of $179,921.00.

That to reproduce the right-of-way along the main line of said road from the boundary line between Kittitas and King county to Auburn via. Palmer Cut Off, from the southern line of King county to the city ilmits of Seattle, and from the northern boundary line of the city of Seattle to the north line of King county, would cost the sum of $734,114.00.

That to reproduce the right-of-way along the main line in Snohomish county would cost the sum of $183,200.00.

That to reproduce the right-of-way along the main line in Skagit county would cost the sum of $145,281.00.

That to reproduce the right-of-way along the main line in Whatcom county would cost the sum of $37,906.00.

That to reproduce the right-of-way and terminals along the main line in Pierce county, exclusive of the property in the city of Tacoma, would cost the sum of $241,848.00.

That to reproduce the right-of-way and terminals in the county of Thurston, along the main line, would cost $25,061.00.

That to reproduce the right-of-way and terminals along the main line in Lewis county, would cost $233,834.00.

That to reproduce the right-of-way and terminals along the main line in the county of Cowlitz, would cost $314,600.00.

No. 35.

That to reproduce the right-of-way and terminals along the branch line in Spokane county, extending from Marshall Junction to the Spokane-Whitman county boundary line, and northerly from Cheney to Spokane-Lincoln county boundary line, would cost the sum of $68,-724.00.

That to reproduce the right-of-way and terminals along the branch line in Lincoln county would cost $138,065.00.

That to reproduce the right-of-way along the branch lines in the county of Douglas, would cost $9,871.00.

That to reproduce the right-of-way along the branch lines in Franklin county would cost the sum of $7,738.00.

That to reproduce the right-of-way along the branch lines of the Northern Pacific Railway Company in Walla Walla county, including the Washington & Columbia River Railway Company, would cost the sum of $270,060.00.

That to reproduce the right-of-way along the branch lines in Columbia county ,would cost the sum of $19,816.00.

That to reproduce the right-of-way along the branch lines in Yakima county, would cost the sum of $33,014.00.

That to reproduce the right-of-way along the branch lines in Kittitas county ,would cost the sum of $9,348.00.

That to reproduce the right-of-way along the branch lines in Whitman county, would cost the sum of $315.032.00.

That to reproduce the right-of-way and terminals along the branch line in King county, excluding all property in the city of Seattle, would cost the sum of $268,668.00.

That to reproduce the right-of-way and terminals along the branch lines in Snohomish county, excluding therefrom all property in the city of Everett, the sum of $170,869.00.

That to reproduce the right-of-way and terminals along the branch lines in Whatcom county, excluding all property and terminals in the city of Bellingham, would cost $260,792.00.

That to reproduce the right-of-way and terminals along the branch lines in Pierce county, would cost the sum of $248,397.00.

That to reproduce the right-of-way and terminals along the branch lines in Thurston county, would cost $68,350.00.

That to reproduce the right-of-way and terminals along the branch lines in Chehalis county, would cost $462,128.00.

That to reproduce the right-of-way and terminals along the branch lines in Lewis county, would cost the sum of $91,450.00.

That to reproduce the right-of-way and terminals along the branch lines in Pacific county, would cost $97,628.00.

That to reproduce the right-of-way and terminals along the branch lines in Clarke county, would cost $178,773.00.

That that portion of the branch line known as the Port Townsend Southern Railway Company in Thurston county, would cost to reproduce new, the sum of $17,506.00.

That to reproduce that part of the line known as the Port Townsend Southern Railway Company in Jefferson county, would cost the sum of $41,812.00.

No. 36.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes in the city of Spokane, would cost $5,306,465.00.

That in addition to the property owned by the Northern Pacific Railway Company in the city of Spokane, used by it and necessary to be used by it for railroad purposes, it owns the following described

real estate used by it for commercial purposes, not necessary for its use as railroad purposes, to-wit:—

Lots 1 to 5 inclusive in block 40; lots 1 to 6 inclusive in block 23; lots 1 to 6 inclusive in block 24; lots 1 to 6 inclusive in block 25; lots 1 to 3 inclusive in block 28; and a portion of the south half of blocks 12 to 21 inclusive in Railroad Addition to the city of Spokane, portions of said property being now leased by the Northern Pacific Railway Company to persons and individuals for commercial purposes, which property last above described is of the reasonable value of $1,194,155.78.

No. 37.

That to reproduce the property owned by the Northern Pacific Railway Company in the city of Everett, used by it or necessary to be used by it for railroad purposes, would cost the sum of $366,530.00.

No. 38.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes and such as it will need for such purposes in the immediate future, in the city of Tacoma, would cost the sum of $7,638,006.00.

That in addition to the terminal grounds and right-of-way owned by the said company and included in the valuation above set out, in the city of Tacoma, the Northern Pacific Railway Company owns certain tide land property in the city of Tacoma which is filled and improved and which the said railway company claims to hold for railroad purposes, amounting to 6,503,490 square feet, and 617,500 square feet of tide lands not filled and improved, which the said railway company claims to hold for railroad purposes, but which is not at present used for such, or leased, which said property is shown in yellow on the map hereunto annexed, made a part of these findings and marked Exhibit B.

That in addition to the property above described, the said Northern Pacific Railway Company owns tide land block 51, which tide land block is colored on said tide land map in green, but which property is not now used nor is the same necessary to be used by the said railroad company for railroad purposes in the immediate future.

Said railroad company also owns lots 3 to 19 inclusive, in tide land block No. 62, which is shown upon said map in green, but which said property is not now used nor is the same necessary for the use of the said railroad company in the immediate future.

The said railroad company also owns the following described property, to-wit: Commencing at a point 297 feet northwesterly from the northeast corner of lot 1 in block 66 of Tacoma tide lands, thence northwesterly along the inner harbor line 500 feet more or less to an intersection with a line drawn parallel with the southerly end of what is known as the "Puget Sound Freight Sheds," as the same is now located, thence southwesterly along said last mentioned line 130 feet to a point, thence southeasterly 530 feet to a point 255 feet southwesterly from the place of beginning, and thence northeasterly

255 feet to the place of beginning, containing 100,387 square feet more or less, which said property is not now used nor is the same necessary for the use of said railroad company as operating property in the immediate future.

Said railroad company also owns a portion of tide land block 69, described as follows: Commencing at the southeast corner of said tide land block No. 69 of Tacoma tide lands, thence south 84 degrees 47 minutes twenty seconds, west 150 feet to a point, thence northwesterly 650 feet more or less to an intersection with the inner harbor line 750 feet northwesterly from the place of beginning, thence southeasterly 750 feet to the place of beginning, containing 52,500 square feet more or less, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad company as operating property.

The said railroad company also owns a portion of tide land block 70 of Tacoma tide lands, described as follows: Commencing at a point on the inner harbor line between blocks 70 and 71, thence southwesterly 130 feet to a point, thence southeasterly 750 feet, more or less, to a point on the inner harbor line 820 feet southeasterly from the place of beginning, thence northwesterly 820 feet to the place of beginning, containing 50,700 square feet more or less, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad company for operating purposes.

Said railroad company also owns a portion of tide land block No. 71 of Tacoma tide lands ,described as follows: Beginning at the northwest corner of tide land block 71, Tacoma tide lands, thence southerly and at right angles to the inner harbor line 220 feet to a point, thence easterly and parallel with said inner harbor line 60 feet to a point, thence northerly 220 feet more or less to the inner harbor line, thence westerly along said inner harbor line to the place of beginning, containing 13,200 square feet, more or less, which said property is not now used nor is the same necessary for the use in the immediate future by the said railroad company for operating purposes.

Said company also owns the following described property, being portion of tide land block 40 of Tacoma tide lands, containing .91 acres, a portion of tide land block No. 50 of Tacoma tide lands, containing 5.49 acres, a portion of diagram No. 1 in section 4, township 20 north of range 3 east containing 3.46 acres, and a portion of diagram No. 1, section 4, township 20 north range 3 east W. M. containing 1.55 acres, particularly described as follows: All the land, upland and tide land, lying between the Northern Pacific right-of-way and the Wheeler Osgood waterway west of a line drawn north 27 degrees 26 minutes and 42 seconds west from a point on the northerly side of the Northern Pacific right-of-way, 930 feet more or less southwesterly from the meander line of lot 7, section 4, township 20, north of range 3 west, which said property is not now used nor is the same necessary to be used in the immediate future by said railroad for operating purposes.

The said railroad company also owns certain uplands in the city of Tacoma described as follows: Commencing at a point on Cliff avenue where a line drawn at right angles to the northerly end of Pacific avenue would intersect the easterly line of Cliff avenue, thence running northwesterly along the easterly side of Cliff avenue to an intersection with the boundary of the property known as the Tacoma High School property, thence northerly and northwesterly along the northern boundary of said Tacoma High School property to an intersection with the northeasterly limits of Cliff avenue, thence following along said boundary of Cliff avenue and such line extended to the south east corner of the Tacoma Mill Company's land as platted on said map, thence northerly along the east line of the Tacoma Mill Company's line 170 feet more or less to an intersection with a line drawn 200 feet southerly and southwesterly parallel with the center line of said railway company's right-of-way, thence southwesterly along the line 200 feet southwesterly from and parallel with the center line of the said railway company's right-of-way to an intersection with the easterly and northerly boundary of Pacific avenue, thence southwesterly along the northern boundary of Pacific avenue, and such line extended to the place of beginning.

That in addition to the property above described, the said railway company owns in the city of Tacoma, certain tide lands filled and improved, which it claims to hold for railroad purposes, but which said property is not used for railroad purposes at this time but is leased for docks, warehouses and other purposes connected with trans-shipment from the rail lines of the said railway company to water, and from water to such rail lines, amounting to the sum of 1,073,900 square feet. And certain tide lands which the said railway company claims to hold for railroad purposes but which it does not at this time use for such purposes, which is used for commercial purposes not connected with the transhipment from rail to water, amounting to 440,965 square feet, which said property is shown on said Exhibit B in red. And in addition thereto the said railway company owns in the city of Tacoma certain tide lands and uplands which it does not use for railroad purposes and does not claim to hold the same for such purposes, but holds the same strictly for commercial purposes ,amounting to the sum of 2,175,539 square feet, and which is shown upon the said Exhibit B in brown.

Said lands so held, owned and shown on said map in yellow, red and brown, and those hereinbefore described as not being used or necessary for the use of said railroad company for operating property, are of the present market value of $4,980,417.00; and the Commission does further find that the said property last above described is not necessary for the present use of or use in the immediate future by said railway company in the discharge of its duties as a common carrier.

That in addition to the property above described, the Northern Pacific Railway Company owns two tracts in South Tacoma lying

immediately east of Excelsior Park Addition, designated on the Assessor's map of Tacoma as diagram 24, containing 4.25 acres, and diagram 24 containing 6.20 acres, which property is not used nor is the same necessary to be used by the company in the immediate future for operating property.

No. 39.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company, used by it for railroad purposes, and which it will need for such purposes in the immediate future, in the city of Seattle, would cost the sum of $11,042,659.93.

In addition thereto the Northern Pacific Railway Company and the Great Northern Railway Company own jointly, terminals in the city of Seattle, now used for railroad purposes, each owning an undivided one-half thereof, and to reproduce the undivided one-half interest of the Northern Pacific Railway Company in such joint property, would cost the sum of $1,995,516.57.

That in addition to the property hereinbefore described as being owned by the Northern Pacific Railway Company in the city of Seattle, and used by it for railroad purposes, the said railway company owns certain property which it claims to have purchased for and claims to be holding the same for railroad purposes, but which the Commission finds is not necessary for its immediate use for railroad purposes, that is to say:

Tide land blocks

111, containing 37,850 square feet,
112, containing 188,750 square feet,
113, containing 46,000 square feet,
116, containing 132,505 square feet,
117, containing 518,399 square feet,
118, containing 518,585 square feet,
119, containing 106,838 square feet,
120, containing 61,129 square feet,
121, containing 385,494 square feet,
122, containing 356,120 square feet,
123, containing 317,864 square feet,
125, containing 58,000 square feet,
A piece of land west of block 125, containing 48,000 square feet,
A portion of block 126, amounting to 88,030 square feet, 99,000 feet in said block being a part of the right-of-way of said railroad company.
128, containing 203,178 square feet,
A portion of 129, amounting to 233,283 square feet, 131,423 square feet of said block being used for right-of-way for railroad purposes.
A portion of block 130, amounting to 163,703 square feet, 153,400 square feet in said block being used for right-of-way purposes.
131, containing 178,852 square feet,
A portion of block 134, containing 81,283 square feet, 9,000 square feet of said block being used for railroad purposes.

A portion of block 136, amounting to 356,270 square feet, 18,000 square feet in said block being used for railroad purposes.
137, containing 450,929 square feet,
138, containing 64,680 square feet,
A piece of land south of block 152, containing 60,600 square feet,
159, containing 17,400 square feet,
A portion of block 12-169 B, containing 25,200 square feet, 3,600 feet in said block being used for railroad purposes,
A portion of block 177, containing 30,720 square feet, 7,920 square feet of said block being used for railroad purposes,
D-179, containing 24,000 square feet,
A portion of block 180, containing 30,720 square feet, 5,280 square feet in said block being used for railroad purposes,
181, containing 130,142 square feet,
A portion of block 182, containing 26,400 square feet, 9,600 square feet in said block being used for railroad purposes,
183, containing 24,000 square feet,
186, containing 24,000 square feet,
A portion of block 187, amounting to 21,600 square feet, 14,400 square feet in said block being used for railroad purposes,
A portion of block 188, amounting to 30,720 square feet, 5,280 square feet in said blocks being used for railroad purposes,
189, containing 24,000 square feet,
A portion of block 193, amounting to 30,720 square feet, 5,280 square feet in said block being used for railroad purposes,
A portion of block 194, amounting to 42,800 square feet, 42,800 square feet in said block being used for railroad purposes,
A portion of block 9 in Miner's Addition, amounting to 34,125 square feet, 875 square feet in said block being used for railroad purposes,
A portion of a piece of land lying north of block 9 in Miner's Addition, containing 203,150 square feet, 39,600 square feet of which piece is used for railroad purposes,
Tide land block 198½, containing 225,200 square feet,
Portions of tide land blocks 365, 370, and 366, amounting to 222,300 square feet, 262,700 square feet in said block being used for railroad purposes.

All of which property so owned by said railway company and not being used by it for railroad purposes, or necessary for its use in the immediate future, is of the reasonable value of $9,250,000.00.

No. 40.

That to reproduce the right-of-way and terminal grounds owned by the Northern Pacific Railway Company and used by it for railroad purposes, in the city of Bellingham, would cost the sum of $215,330.00.

No. 41.

That the reasonable cash market value of the lands included within the 400-foot strip granted by the United States to the Northern

Pacific Railway Company along its main line, and not used or necessary to be used by it for railroad purposes, is the sum of $456,602.00, divided as follows:

In the county of Spokane, not including any property within the corporate limits of the city of Spokane, the sum of $81,409.00;

In the county of Lincoln, the sum of $8,035.00;

In the county of Adams, the sum of $44,524.00;

In the county of Franklin, the sum of $4,709.00;

In the county of Benton, the sum of $35,320.00;

In the county of Yakima, the sum of $106,244.00;

In the county of Kittitas, the sum of $64,028.00;

On the branch line extending from the Snake River to Hunts Junction, being in Walla Walla county, the sum of $5,025.00;

In the county of Pierce, on the main line, $70,979.00, and on the Buckley branch, $36,329.00.

No. 42.

That the Northern Pacific Railway Company, through the eastern portion of the state of Washington, traversed a rich agriculture section, producing annually large quantities of grain and hay, destined for transhipment over the lines of the said railroad company in car load lots, amounting to approximately 21,000,000 bushels of grain annually; large quantities of the wheat or product in flour is carried over the line of the Northern Pacific Railway Company to Tacoma and Seattle, and after arriving at its destination in Tacoma or Seattle is shipped to foreign ports.

That along the line of the Northern Pacific Railway Company in the state of Washington, there are adequate warehouses and facilities for handling, or storage of grain, which warehouses are owned and operated by private individuals as warehouses, but which warehouses add greatly to the facilities for freight shippers, and add value to the railroad line.

That in Tacoma and Seattle the docks and warehouses hereinbefore mentioned, whether the same are owned by the Northern Pacific Railway Company or by private individuals, add value to the line by reason of the fact that such facilities are sufficient and adequate for the transhipment of freight consigned from the ilne of the railroad to water and from steamboat line to the said railroad line.

No. 43.

That the Northern Pacific Railway Company is the owner of the capital stock of the Northwestern Improvement Company. That the Northwestern Improvement Company is the owner of large deposits of coal lands in the vicinity of Rosslyn and Clealum and other portions of the state and contiguous to the Northern Pacific Railway Company's lines, and has developed very valuable coal mines along the Northern Pacific Railway Company's lines. That said coal mines

as now developed are in close proximity to the summit of the Cascade range of mountains and in transporting the coal from the mines to the different points of consumption by the locomotives or the distributing points within the state of Washington, such coal is hauled on the down grade. That the said railway company is to a large extent conducting said coal mines through said subsidiary corporation, the Northwestern Improvement Company, for its own benefit and producing the coal largely for its own consumption. That by reason of the facts aforesaid the said railway company is able to procure and does procure its coal used on its locomotives in the state of Washington at a greatly reduced price over what other roads operating in the state of Washington are able to do, coal being furnished the Northern Pacific Railway Company for the years ending June 30th, 1906, and 1907, respectively at $1.85 per ton and $2.096 per ton, whereas the Great Northern Railway Company paid during the same period $2.77 and $2.92 per ton, and the Oregon Railroad & Navigation paid during the same period $3.41 and $3.80 per ton, the Tacoma Eastern Railway Company paid during said time $2.68 and $2.57 per ton, and the Bellingham Bay & British Columbia paid during said time $3.61 and $3.93 per ton. That during the year 1907 the Northern Pacific Railway Company paid out for fuel for locomotives used in the state of Washington, approximately $1,655,000.00.

That by reason of the proximity of the said coal lands to the said line of railroad and by reason of the said road owning and controlling said mines, it adds great value to the lines of the said road within the state of Washington, in that it enables said road to lay down its fuel at the different distributing points along its line, used and consumed by it in the operation of its trains, at greatly reduced cost over other lines operating in the state of Washington.

No. 44.

That since the construction of the line of the Northern Pacific Railway Company through the state of Washington, said company has expended large sums of money advertising and exploiting the resources of the country adjacent to its lines and has encouraged immigration along its lines so that the country adjacent and tributary to its rail lines has a comparatively large population and the density of traffic and the country tributary to its lines are comparatively highly developed, compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

No. 45.

That the lines of the Northern Pacific Railway Company and particularly the line from Seattle to Sumas, and what are known as the Grays Harbor and South Bend branches, traverse sections of the state producing vast quantities of fir and cedar lumber and cedar shingles, which lumber and shingles furnish a heavy volume of tonnage east bound, traversing the entire main line of the said road.

No. 46.

That the lines of the Northern Pacific Railway Company have been constructed almost entirely from moneys procured and derived from the sale of bonds, the earnings of the road and the sale of its granted lands, and outside of the original expense of incorporating the company, but little money has been paid into the treasury of said railroad company from the sale of its capital stock.

That the said railroad company has at all times since the construction of its lines in the state of Washington, paid the interest on its bonds as the same fell due, excepting for the years 1894 and 1895, which interest was paid in the reorganization agreement set out in Exhibit A, since the organization of said company in 1896, and said company has paid interest on its bonded indebtedness as the same accrued, and in addition thereto has paid dividends on its capital stock of $155,000,000.00 as follows: For the year 1898, $3,000,000.00, being 1.94 per cent.; for the year 1899, $4,600,000.00, being 2.97 per cent.; for the year 1900, $5,400,000.00, being 3.48 per cent.; for the year 1901, $6,200,000.00, being 4 per cent.; for the year 1902, $8,499,946, being 5.48 per cent.; for the year 1903, $10,074,944.00, being 6.5 per cent.; for the year 1904, $10,849,989.00, being approximately 7 per cent.; for the year 1905, $10,850,000, being 7 per cent; for the year 1906, $10,850,00.00, being 7 per cent.; and for the year 1907, $10,850,000.00, being 7 per cent.

That on the 30th day of June, 1907, the said Northern Pacific Railway Company had on hand in cash and current assets over and above its current liabilities, approximately $22,477,458.00, and supplies and material of the value of $5,889,931.00.

No. 47.

That the total funded indebtedness of the Northern Pacific Railway Company amounts to the sum of $294,280,100.00. $107,613,000.00 of which consists of the joint bonds of the Chicago, Burlington & Quincy Railroad Company, which were issued in exchange for Chicago, Burlington & Quincy Railroad stock, the interest on the same being paid by the C. B. & Q. railroad company, the obligation of the Northern Pacific Railway Company being that of a surety or guarantor, is not hereinafter treated as an obligation of said railroad company.

Excluding said sum, the bonded obligation of the Northern Pacific Railway Company amounts to the sum of $186,667,100.00, made up as follows:

General mortgage bonds of the St. Paul and Northern Pacific Railroad Company falling due in 1923, in the sum of $8,021,000.00.

The Western Railroad of Minnesota, falling due in 1907, in the sum of $18,000.00.

Northern Pacific prior lien bonds, falling due in 1997, in the sum of $105,979,500.00.

Northern Pacific Railway general lien bonds in the sum of $60,000,000.00, falling due in 2047.

St. Paul & Duluth Division, falling due in 1996, in the sum of $7,938,000.00.

St. Paul & Duluth Railway Company first mortgage bonds, falling due in 1931, in the sum of $1,000,000.00.

St. Paul & Duluth second division, falling due in 1917, in the sum of $2,000,000.00.

St. Paul & Duluth Railway Company, first consolidated mortgage, falling due in 1968, in the sum of $1,000,000.00.

Taylor Falls & Lake Superior Railroad, first mortgage, falling due in 1914, in the sum of $210,000.00.

Duluth Short Line Railway, falling due in 1916, in the sum of $500,000.00.

Minnesota & Duluth Railway first mortgage, falling due in 1907, in the sum of $600.00.

That during the year 1903 the Northern Pacific prior lien 4 per cent. bonds falling due in 1997, sold in the open market during the months hereinafter stated as follows:

(The first figures given being the lowest price at which such bonds sold, and the second figures being the highest price at which such bonds sold during such month.)

January	102¾	104
February	103⅛	103¾
March	102¼	103⅜
April	101½	102⅞
May	101¾	102½
June	101¾	102½
July	99⅝	101½
August	99½	100⅞
September	100½	101⅛
October	100	102¾
November	101½	102⅝
December	102⅛	103

That for the year 1904 the said prior lien bonds sold as follows:

January	101½	103¾
February	102	103⅜
March	102½	103¾
April	102¾	103¾
May	103⅝	104½
June	104½	105
July	103¾	105½
August	104⅞	105¾
September	104⅝	105⅜
October	104¼	105½
November	104¾	105⅝
December	105	106

And that for the year 1905, the said prior lien bonds sold as follows:

January	104¾	105⅞
February	105¼	106
March	105½	106¾
April	105	105¾
May	105⅛	105½
June	105⅜	106⅛
July	105¼	106⅝
August	105¾	106¼
September	105⅝	106⅛
October	104¼	105⅜
November	103¾	105½
December	104¼	105⅝

And that for the year 1906, the said prior lien bonds sold as follows:

January	104½	106¼
February	104	105¾
March	103⅞	105
April	103	104½
May	102¾	104⅜
June	104	105½
July	103¼	104¼
August	103½	104¼
September	103	104½
October	102¾	103¾
November	103	104
December	102⅜	103¾

That for the year 1907, the said prior lien bonds sold as follows:

January	101⅝	102¼
February	100⅞	102
March	100	101
April	100¼	102¼
May	100	102
June	99½	101½
July	99¾	100⅞
August	96	100¼
September	96½	99⅞
October	93⅝	99½
November	94	98
December	98	100⅞

That during the said time the said $60,000,000.00 general lien bonds falling due in 2047, sold as follows:

For the year 1903:

January	72⅛	73½
February	71⅞	73⅞

March	71½	72¾
April	71	72¼
May	71¼	72⅝
June	70⅞	72⅜
July	71	72
August	70⅛	71½
September	70	71
October	70	71½
November	69¾	70½
December	70	71

That for the year 1904, the said general lien bonds sold as follows:

January	70⅝	73
February	70¼	72¼
March	70⅜	72
April	71⅞	73
May	72	73
June	71½	74⅜
July	74	75⅝
August	74	74¾
September	74	74¾
October	74⅜	75⅝
November	74¼	75¼
December	75	76

That for the year 1905, the said general lien bonds sold as follows:

January	76¼	78
February	76¾	77¼
March	76¼	77¼
April	76¼	77½
May	75½	77½
June	76	77⅜
July	76¾	78½
August	77	77½
September	77	77¾
October	77	78¼
November	76¼	77⅜
December	76¾	77⅜

That for the year 1906, the said general lien bonds sold as follows:

January	76¾	78½
February	76	77¼
March	76½	77⅛
April	76¼	77
May	75	77⅜
June	75¾	76¾
July	76	77½

August	75⅛	76⅜
September	75¼	76
October	75¼	76⅛
November	74⅜	75½
December	73¼	75¼

And that for the year 1907, the said general lien bonds sold as follows:

January	73	74¼
February	71	73
March	70	71
April	69¾	72¼
May	71⅛	72
June	69	71⅝
July	70	71⅝
August	65½	70⅞
September	67	68¾
October	67	69¾
November	62½	67
December	65½	69

That during the same time the said St. Paul & Duluth division bonds amounting to the sum of $7,938,000.00, falling due in 1996, drawing interest at 4 per cent., sold as follows:

For the year 1903:		
June	101	...
November	97	98
December	96	...
For the year 1904:		
January	97⅝	...
September	97½	...
August	97¼	...
November	101¼	...
December	98¾	...
For the year 1905:		
February	101	...
March	100	...
July	99½	...
September	101½	102
October	101	...
December	100	100¼
For the year 1906:		
January	100½	101
June	98	...
July	98	...
December	95	96¼
For the year 1907:		
January	95¾	...

That the Commission has been unable to find any evidence of sales of said St. Paul & Duluth bonds for said years other than those hereinbefore given.

That during the said time the bonds known as the St. Paul & Northern Pacific, falling due in 1923, bearing interest at 6 per cent., amounting to $8,021,000.00, sold in the open market as follows:

For the year 1903:		
January	127	...
February	125	127
April	125	126
August	121	...
October	122	...
For the year 1904:		
March	122½	...
October	125	...
For the year 1905:		
January	126⅝	...
March	126	...
April	125½	...
September	125½	...
October	125	...
For the year 1906:		
March	124	124¾
April	125	...
May	124¾	...
August	122⅛	...
September	125⅝	...
November	123¾	...
For the year 1907:		
March	120	...
May	122½	122¾
June	122¾	...
September	116½	...

That the Commission has been unable to find any evidence of any sales having occurred during said years, of said bonds, other than as hereinbefore stated.

That during said time the first mortgage bonds of the St. Paul & Duluth Railroad Company, amounting to $1,000,000.00, drawing interest at 5 per cent., due in 1931, sold in the open market as follows:

For the year 1903:		
July	112¼	...
For the year 1905:		
December	114	...

For the year 1906:

March	113	...

For the year 1907:

July	117½	...

The Commission has been unable to find any evidence of any sales of said last mentioned bonds being made during said years other than as above set forth.

That during the said time the St. Paul & Duluth Railroad Company second mortgage bonds, amounting to $2,000,000.00, falling due in 1917, bearing interest at 5 per cent., sold in open market as follows:

For the year 1903:

September	105	...
November	106	107
December	107¼	...

For the year 1904:

January	107¾	108¼
April	105½	...
November	107	...

For the year 1905:

February	108	109
April	107¾	108
June	109	...

For the year 1906:

January	109½	...
February	110	...
March	109¾	...
October	108	...
November	107¾	108¼

For the year 1907:

February	108¾	...
May	106½	...
October	100	...

The Commission has been unable to find that any sales of said bonds occurred in the market other than as above set forth.

That hte bonds known as the First Consol of the St. Paul & Duluth Railroad Company, amounting to $1,000,000.00, falling due in 1967, bearing interest at 4 per cent., sold in the open market as follows:

For the year 1903:

January	97	98
February	97	...
March	96½	...
November	96½	...

For the year 1904:		
August	96½	...
For the year 1905:		
February	97⅞	101
April	100¼	...
August	100	...
October	100½	...
November	100½	...
For the year 1906:		
July	100	...
September	98½	...
October	98½	...

The Commission has been unable to find any evidence of any sales of said mortgage bonds having occurred at other times during said period.

No. 48.

That as before stated, the capital stock of the Northern Pacific Railway Company consists of 1,550,000 shares, of the par value of $100 per share, making a total capital stock issue of $155,000,000.00. That said stock has sold in the open market as follows: (The first figures hereinafter given representing the lowest sale during the month, and the second figures as given for that month representing the highest figure at which such stock sold.)

For the year 1905:		
April	165	178
May	169½	196
June	181	190
July	187¾	208
August	204	216
September	205¾	214
October	201	212½
November	291½	205½
December	193½	207½
For the year 1906 said stock sold as follows:		
January	199	211¼
February	205½	232½
March	206½	223¾
April	193½	223
May	179¼	211⅞
June	191	214
July	190	205½
August	203¼	219½
September	207⅜	219
October	208⅝	218
November	209½	228
December	179¼	224⅞

For the year 1907 the said stock sold as follows:

January	149	189½
February	144½	155¾
March	144¼	146¾
April	126½	139
May	120	137½
June	119⅞	130¼
July	126	137⅝
August	113	132⅝
September	121	134¼
October	100½	132¾
November	102½	111¾
December	109½	121¾

No. 49.

That in addition to the properties hereinbefore set out as being owned by the Northern Pacific Railway Company, said company is the owner of the right to select Government land in lieu of lands relinquished by it to the United States included within its land grant in the state of Washington, amounting to 631,252.88 acres, which right the Commission estimates to be of the reasonable value of $8.00 per acre.

And, in addition, the Northern Pacific Railway Company owns 1,280,409.5 acres of public land granted to it by the United States, large portions of which lands are unsurveyed and have not yet been examined, and the value is not ascertainable.

That of the entire cost of reproducing the tunnels on the entire system of the Northern Pacific Railway Company, approximately 62.3 per cent. thereof would be expended in the state of Washington.

That to reproduce the bridges on the entire system, 31.6 per cent. would be expended in the state of Washington.

That in order to reproduce the right-of-way and terminals and real estate owned and held by the Northern Pacific Railway Company, on its entire system, for railroad purposes, approximately 56.8 per cent. thereof would be expended within the state of Washington.

No. 50.

That grading undergoes what is ordinarily termed seasoning and appreciates for a number of years after construction, such appreciation, however, is included in the present market value of the line hereinbefore given.

No. 51.

That the Great Northern and the Northern Pacific Railway Company jointly, constructed a passenger station building in the city of Seattle, said station building costing, exclusive of the real estate, the sum of $549,633.39.

That the same was erected and constructed in the years 1904 and 1905. That it would cost the Northern Pacific Railway Company to

reproduce its one-half interest in said station buildings, exclusive of real estate upon which the same is situate, the sum of $280,000.00, which sum is included, however, in the cost of reproduction hereinbefore set out, and the market value herein set out.

No. 52.

That for the sake of brevity the words interstate freight and interstate tonnage and state freight and state tonnage are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of said road beyond the limits of the state, or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state, passing over the lines of the said railroad without the state and over the said lines within the state; or, freight originating within the state of Washington destined to points within the state of Washington, but passing over the lines of the said railroad both within and without the state.

State freight or tonnage as hereafter used is freight originating on the lines of the railroad within the state of Washington destined to points within the state of Washington, and passing over the lines of the said railroad wholly within the state.

Interstate passengers are passengers travelling on a continuous contract with said railroad company over its lines both within and without the state.

State passengers are passengers travelling over the said line on continuous contracts on the lines wholly within the state of Washington.

No. 53.

That for the fiscal year ending June 30th, 1905, the Northern Pacific Railway Company carried over its lines in the state of Washington, 5,294,190 tons, constituting 1,093,238,421 tons of freight carried one mile over its said lines.

That for the year ending June 30th, 1906, the said company carried over its lines in the state of Washington, 7,152,234 tons, constituting 1,390,064,467 ton miles.

And for the year ending June 30th, 1907, the said company carried over its said lines within the state, 7,954,873 tons, constituting 1,392,894,577 ton miles.

That of the said tons carried one mile, approximately 31 per cent. thereof was state freight and approximately 69 per cent. thereof was interstate freight and tonnage.

That of said ton miles of freight carried over the lines in the state of Washington, approximately 21.02 per cent. thereof was grain, in-

cluding wheat, oats, flour, barley, feed and flax, and of which ton miles of grain 63.04 per cent. thereof was state tonnage and 36.96 per cent thereof was interstate tonnage. That said state grain was hauled an average distance of 255.5 miles and that said interstate grain was hauled an average distance of 561.8 miles, 387.3 miles of which was over the lines within the state of Washington and 174.5 miles of which was over the lines of said company outside of the state of Washington.

That of said ton miles so carried as aforesaid, approximately 42.13 per cent. thereof was lumber, of which lumber 6.33 per cent. was state and 93.67 per cent. was interstate. That the average distance hauled of such lumber was state 110.9 miles, interstate 1488 miles of which 1060.8 miles was over the lines of the said road without the state and 427.2 miles was over the lines of said road within the state.

That of said ton miles so carried as aforesaid, 3.67 per cent. thereof consisted of logs and other forest products, of which 89.88 per cent. was state freight and 10.12 per cent was interstate freight, and of which the state freight was hauled an average distance of 26.2 miles and the interstate portion thereof 238.1 miles, 144.2 miles of which was over the lines of said road outside the state of Washington and 93.9 miles of which was over the lines of said company within the state of Washington.

That of said ton miles so carried as aforesaid, 5.14 per cent. thereof consisted of coal, of which 75.03 per cent. was state tonnage and 24.97 per cent. was interstate tonnage. That said state tonnage was hauled an average distance of 84 miles and said interstate coal an average distance of 262.9 miles, 79.4 miles of which was over the lines of the said company outside the state of Washington and 183.5 miles of which was over the lines of the said company within the state of Washington.

That of said ton miles so moved, 1.26 per cent thereof consisted of iron and steel articles, of which 11.20 per cent. thereof was state freight and moved an average distance of 90.4 miles, and 88.80 per cent. thereof was interstate freight and moved an average distance of 1047.6 miles, 716.5 miles of which was over the lines of said company without the state of Washington and 331.1 miles was over the lines of the said company within the state.

That of said ton miles so moved as aforesaid, .55 per cent. thereof consisted of steel rails, of which rails 7.56 per cent. was state freight and moved an average distance of 84.4 miles, and 92.44 per cent. thereof was interstate freight and moved an average distance of 1130 miles, 770.9 miles of which was hauled over the lines of the said company without the state and 359.1 miles of which was hauled over the lines of the said company within the state.

That of said ton miles so moved as aforesaid, 1.16 per cent. thereof consisted of live stock, of which 31.83 per cent. was state freight and

moved an average distance of 175.9 miles, and 68.17 per cent. thereof was interstate freight and moved an average distance of 780 miles, 535.6 miles of which was over the lines of said company without the state and 244.4 miles was over the lines of said company within the state.

That of the said ton miles of freight so moved as aforesaid, 2.25 per cent. thereof consisted of hay, of which 77.78 per cent. thereof was state freight and moved an average distance of 162.8 miles, and 22.22 per cent. thereof was interstate freight and moved an average distance of 779.09 miles, 413 miles of which was over the lines of said company without the state and 366.09 miles of which were over the lines of said company within the state.

That of said ton miles of freight hereinbefore mentioned, .61 per cent. thereof consisted of machinery, of which 11.11 per cent. was state freight, moving an average distance of 78.8 miles, and 88.89 per cent thereof was interstate freight, moving an average distance of 1184.6 miles, 811.6 miles of which was over the lines of the said company without the state and 373 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .04 per cent. thereof consisted of fresh meat, of which 31.05 per cent was state freight, moving an average distance of 84.9 miles, and 68.95 per cent. thereof was interstate freight, moving an average distance of 916.7 miles, 665 miles of which was over the lines of said company without thc state and 251.7 miles of which was over the line of said company within the state.

That of said ton miles of freight so moved as aforesaid, .15 per cent. thereof consisted of packing house products, all of which was interstate freight moving an average distance of 886.3 miles, 589.9 miles of which was over the lines of the said company without the state and 286.4 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, 1.14 per cent. consisted of canned salmon, 3.71 per cent. of which was state freight moving an average distance of 119.1 miles, and 96.29 per cent. wsa interstate freight, moving an average distance of 1159.08 miles, 795.1 miles of which was over the lines of the said company without the state and 364.7 miles of which was over the said lines of the company within the state.

That of the said ton miles of freight so moved as aforesaid, .06 per cent. thereof consisted of butter, eggs and cheese, all of which was interstate and moved an average distance of 905.3 miles, 627 miles of which was over the lines of the said company without the state and 278.3 miles of which was over the lines of the said company within the state.

That of the said ton miles so moved as aforesaid, .24 per cent. thereof consisted of brick and stone, of which 70.88 per cent. thereof was state freight moving an average distance of 59.5 miles, and 29.12

per cent. thereof was interstate freight moving an average distance of 192.7 miles, 130.2 miles of which was over the lines of said company without the state and 62.5 miles of which was over the lines of the said company within the state.

That of said ton mlies so moved as aforesaid, 1.16 per cent. thereof consisted of lime, cement and plaster, 17.15 per cent. of which was state freight moving an average distance of 226.3 miles, and 82.85 per cent. of which was interstate freight moving an average distance of 1049.5 miles, 719 miles of which was over the lines of the said company without the state and 330.5 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .04 per cent. thereof consisted of sand and gravel, 46 per cent. of which consisted of state freight, moving an average distance of 39.6 miles, and 54 per cent. of which consisted of interstate freight, moving an average distance of 778.2 miles, 482.3 miles of which was over the lines of the said company without the state and 295.3 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .43 per cent thereof consisted of fresh fruit, of which 3.07 was state freight moving an average distance of 149.1 miles, and 96.93 per cent. thereof was interstate freight moving an average distance of 936.6 miles, 641.3 miles of which was over the lines of the said company without the state, and 295.3 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .31 per cent. thereof consisted of vegetables, of which 75.32 per cent. was state freight moving an average distance of 113.3 miles, and 24.68 per cent. thereof was interstate freight moving an average distance of 520.7 miles, 342.5 miles of which was over the lines of the said company without the state and 178.2 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .33 per cent. thereof consisted of beer and liquors, 32.73 per cent. of which was state freight moving an average distance of 39.9 miles, and 67.27 per cent. thereof was interstate freight moving an average distance of 520.1 miles, 354.2 miles of which was over the lines of the said company without the state and 165.9 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .17 per cent. consists of new furniture, of which 16.73 per cent. was state freight moving an average distance of 207.3 miles, and 83.27 per cent. of which was interstate freight moving an average distance of 973.1 miles, 677.5 miles of which was over the lines of the said company without the state, and 295.6 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, 2.60 per cent. thereof consists of ore, of which 6.21 per cent. was state

freight moving an average distance of 114.8 miles, and 93.79 per cent. of which was interstate freight moving an average distance of 968.1 miles, 663.5 miles of which was over the lines of the said company without the state, and 304.6 miles of which was over the lines of the said company within the state.

That of the said ton miles of freight so moved as aforesaid, .17 per cent .thereof was hops, of which 2 per cent. consisted of state freight moving an average distance of 49 miles, and 98 per cent of which consisted of interstate freight moving an average distance of 992.4 miles, 688.4 miles of which was over the lines of the said company without the state and 304 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, .07 per cent. consisted of agricultural implements, all of which was interstate freight, moving an average distance of 666.1 miles, 447.3 miles of which was over the lines of the said company without the state and 218.8 miles of which was over the lines of the said company within the state.

That of said ton miles of freight so moved as aforesaid, approximately 4 per cent thereof consisted of freight in less than car load lots, of which 26.13 per cent. thereof was state freight moving an average distance of 89 miles, and 73.87 per cent. of which was interstate freight moving an average distance of 851.2 miles, 608.5 miles of which was over the lines of the said company without the state and 242.7 miles of which was over the lines of the said company within the state.

That the balance of the said ton mile, approximating 11.30 per cent., consisted of miscellaneous car load freight, moving under special commodity rates consisting of more than 100 commodities, of which approximately 8 per cent. was state freight moving an average distance of 85 miles, and 92 per cent. of which was interstate freight moving an average distance of 1050 miles, 720 miles of which was over the lines of said road without the state and 330 miles of whcih was over the lines of the said road within the state.

That of the said freight hereinbefore referred to, the average net weight per car is as follows:

On wheat, state, 32.4 tons per car; interstate, wheat, 32.2 tons per car.

On oats ,state, 24.2 tons per car; interstate, 28.1 tons per car.

On flour, state, 22.5 tons per car; interstate, 20 tons per car.

On barley, state, 28.8 tons per car; interstate, 32.7 tons per car.

On feed, state, 17.6 tons per car; interstate, 20.5 tons per car.

On corn, state, 17.5 tons per car; interstate, 31.7 tons per car.

on flax, (all of which was interstate), 33 tons per car.

On fir lumber, state, 24.6 tons per car; interstate, 23.9 tons per car.

On cedar lumber and shingles, state, 20.7 tons per car; interstate, 16.7 tons per car.

On logs and other forest products, state, 32.6 tons per car; interstate, 20.3 tons per car. No logs were carried interstate.

On coal, state, 32.1 tons per car; interstate, 29.2 tons per car.

Iron and steel, state 21.3 tons per car; interstate, 27.6 tons per car.

Iron and steel rails, state, 31.5 tons per car; interstate, 32 tons per car.

On live stock, state, 12.2 tons per car; interstate, 10.8 tons per car.

On hay, state, 12.9 tons per car; interstate, 13.9 tons per car.

Machinery, state, 15.9 tons per car; interstate, 16.6 tons per car.

Fresh meat, state, 11.7 tons per car; interstate, 10 tons per car.

Packing house products, all of which is interstate, 13.9 tons per car.

Salmon, canned, state, 19.5 tons per car; interstate, 23.9 tons per car.

Butter, eggs and cheese, all of which was interstate, 12.7 tons per car.

Brick and stone, state, 28.5 tons per car; interstate, 24.4 tons per car.

Lime, cement and plaster, state, 25.2 tons per car; interstate, 29 tons per car.

Sand and gravel, state, 28.6 tons per car; interstate, 28 tons per car.

Fresh fruit, state, 12.6 tons per car; interstate, 13.8 tons per car.

Vegetables, state, 13.5 tons per car; interstate, 13.6 tons per car.

Beer and liquor, state, 14.9 tons per car; interstate, 16.4 tons per car.

Furniture, new, state, 9.1 tons per car; interstate, 10 tons per car.

Ore, state, 36 tons per car; interstate, 29.6 tons per car.

Hops, state, 7.5 tons per car; interstate, 14.7 tons per car.

Agricultural implements, state, all of which is state, 14.7 tons per car.

No. 54.

That the figures hereinbefore given showing the traffic movement over the lines of the Northern Pacific Railway Company for the years 1905, 1906 and 1907, do not include the traffic moveemnt passing over the line of the Washington & Columbia River division or of the Port Townsend Southern division which are hereinafter given.

That for the fiscal year ending June 30th, 1906, the Washington & Columbia River Railroad Company carried over its lines in the state of Washington, from which it received revenue, 316,263 tons of freight, aggregating 10,916,106 tons carried one mile.

That for the fiscal year ending June 30th, 1907, the said road carried over its lines in the state of Washington, 304,730 tons, constituting 11,567,728 tons carried one mile.

That of said tons carried one mile, approximately 82.52 per cent. thereof was state freight ,and 17.48 per cent. thereof was interstate freight.

That of said ton miles of freight carried over the lines in the state of Washington, approximately 53.56 per cent. thereof was grain, of which 85.12 per cent. thereof was state grain, and 14.88 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 11.43 per cent. thereof was lumber, of which 92.78 per cent. was state and 7.22 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, 2.32 per cent. thereof consisted of logs and forest products other than lumber, of which 92.91 per cent. was state and 7.09 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 3.55 per cent. thereof consisted of coal, of which 88.68 per cent. thereof was state and 11.32 per cent. thereof was interstate.

That of said ton miles so carried as aforesaid, approximately 4.64 per cent. consisted of freight in less car loads, of which 62.63 per cent. thereof was state and 37.37 per cent. thereof was interstate freight.

That of the remaining freight, approximating 24.43 per cent., consisted of commodities in mixed car loads and freight carried at commodity rates aggregating many different commodities, of which approximately 73.92 per cent. thereof was state and 26.08 per cent. thereof was interstate.

That for the year ending June 30th, 1906, the Washington & Columbia River Railroad Company carried over its lines in the state of Washington, 69,754 revenue earning passengers, constituting 2,393,437 passenger miles; that said passengers were carried an average distance of 34.31 miles and paid an average per passenger per mile of $.02252.

That for the fiscal year ending June 30th, 1907, the Washington & Columbia River Railway Company carried over its lines in the state of Washington, 74,372 revenue earning passengers, constituting 2,684,-509 passenger miles; that said passengers were carried an average distance of 36.10 miles and said passengers paid an average of $.0232 per passenger mile.

That for the fiscal year ending June 30th, 1906, the said road received for the carrying of mail, $4,193.33; that it received from the express companies doing business over its line, $6,871.91; that it received from extra baggage and storage, $564.73; that it received from demurrage, $712.00; that it received from freight storage, $24.70; that it had a balance due it for switching charge amounting to $112.00; from rents of tracks, yards and terminals, $78.00.

That for the fiscal year ending June 30th, 1907, the said company earned from carrying mail, $6,778.52; that it received from the express companies doing business over its line, $7,001.70; that it received from extra baggage and storage, $586.56; that it received from demurrage, $700.00; that it received from storage, $79.95; that it had a balance due it for switching charges of $131.00, and from the rents of tracks, yards and terminals, $78.00.

That of said express business approximately 59 per cent. thereof was express local to the state of Washington, and approximately 41 per cent .theerof was interstate express business.

No. 55.

That the Port Townsend Southern Railroad Company carried over its lines in the state of Washington, for the fiscal year ending June 30th, 1905, 23,647 tons of revenue earning freight constituting 257,175 ton miles.

That for the fiscal year ending June 30th, 1906, the said road carried over its line in the state of Washington, 36,701 tons of revenue earning freight, constituting 306,629 ton miles.

That for the fiscal year ending June 30th, 1907, the said road carried over its line in the state of Washington, 40,967 tons of revenue earning freight, constituting 430,611 ton miles.

That said road received from earnings for the carrying of mail for the year 1905, $1,490.87, from the express companies doing business over its line the sum of $287.91; that it received from extra baggage and storage, $157.82; that it received for switching charges, $1,332.00, and that it received from rents the sum of $133.00.

That for the fiscal year ending June 30th, 1906, the said road received for carrying mail, $1,948.75; from express companies operating over its line, $701.24; from baggage and storage, $145.20; from demurrage, $59.00, and from rents, etc., $28.00.

That for the fiscal year ending June 30th, 1907, the said road received from carrying mail, $1,987.61; from express companies doing business over its line, $298.08; from baggage and storage, $87.22; that it received for switching charges, $10,755.70, and from rents and other sources, $258.00.

No. 56.

That for the fiscal year ending June 30th, 1905, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 2,117,529 passengers, constituting 149,597,279 passenger miles, and that said passengers were carried an average distance of 70.65 miles. That the said passengers paid to the said railway company an average of $1.64324, being an average charge per mile of $.02326.

That for the fiscal year ending June 30th, 1906, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 2,600,317 passengers, constituting 221,569,644 passenger miles, and that said passengers were carried an average distance of 85.21 miles. That said passengers paid to the said railway company an average of $1.82694, constituting an average rate of $.02144 per mile.

That for the fiscal year ending June 30th, 1907, the Northern Pacific Railway Company carried over its lines in the state of Washington, from which it received revenue, 3,174,563 passengers, consti-

tuting 224,214,106 passenger miles, carrying said passengers an average distance of 70.63 miles. That the said railway company received from said passengers an average of $1.69115, making an average rate per mile of $.02394.

That the traffic above specified includes all passengers carried over the lines in the state of Washington, for the said fiscal years, whether the said passengers were state or interstate, the interstate passengers being apportioned to the state of Washington on a strictly passenger mileage basis.

That of the passengers carried during the said fiscal years, approximately 72.4 per cent. thereof were state passengers and 27.6 per cent. were interstate passengers.

That of the passenger miles above enumerated, approximately 37.1 per cent. thereof was state and 62.9 per cent. thereof was interstate.

That for the fiscal year ending June 30th, 1906, the said passengers were carried an average distance per passenger of 43.61 miles state, and interstate passengers passing over the lines in the state of Washington were carried an average distance of 194.18.

That for the fiscal year ending June 30th, 1906, the average receipts per passenger per mile of state passengers were $.02703, and the average receipts per passenger per mile of interstate passengers was $.01815.

No. 57.

That the Northern Pacific Railroad Company has contracted with the express company doing business over its lines, by which it received 50 per cent. of the gross receipts whether such business is state or interstate.

That in its report for the fiscal year ending June 30th, 1905, 1906, and 1907, said railroad has apportioned to the state of Washington, its express business, on the express car mileage basis. That said reports show, based as aforesaid, that for the fiscal year ending June 30th, 1905, said railroad received from its express business in Washington the sum of $228,762.18. That for the fiscal year ending June 30th, 1906, it received the sum of $294,954.77, and that for the fiscal year ending June 30th, 1907, it received the sum of $338,245.17.

The Commission finds that for the fiscal year ending June 30th, 1906, that of the express business done over the lines in the state of Washington, the Northern Pacific Railway Company received from such express company for business strictly state, $172,758.90, and that the amount paid said railroad for its interstate business, apportioned strictly on a mileage basis, would in said year have amounted to $112,078.50, making a total earning as apportioned from express business for that year, the sum of $248,837.40.

The Commission finds that of the express business so reported by said railroad, approximately 60 per cent. thereof was earnings from state business and 40 per cent. thereof was earnings from interstate business.

No. 58.

The Commission finds that the Northern Pacific Railway Company has a contract with the United States for carrying mail over its lines, and that the said railway company is paid for carrying said mail according to the weight of mail carried.

That approximately 56.73 per cent. of the mail carried over the lines of the said railway in the state of Washington, is interstate mail, and approximately 43.27 per cent. thereof is mail local to the state of Washington.

That for the fiscal year ending June 30th, 1906, the United States paid to the Northern Pacific Railway Company for carrying mail over its lines in the state of Washington, the sum of $225,471.11.

No. 59.

The Commission finds that the Northern Pacific Railway Company earned for the fiscal year ending June 30th, 1906, within the state of Washington, over and above what it paid out, for switching, the sum of $97,860.04.

That it received from demurrage and storage charges the sum of $90,534.73.

That it received from rents of tracks, yards, etc., within the state, the sum of $10,748.41.

That it received from wharfage and dockage connected with its rail lines the sum of $48,138.20.

That it received from lunch stands, etc., operated in connection with its railway systems, $34,119.41.

That it received from the operation of special trains the sum of $3,439.67.

That it received from dining, grill, observation and sleeping cars local to Washington, (the same benig prorated on basis of passenger earnings), from state business, $66,882.70, and prorate on the passenger earnings from interstate business, $76,365.03.

And that the said railway company received and credited from rents of buildings, land, wharves, etc., the sum of $189,051.61.

No. 60.

That the Northern Pacific Railway Company's lines operated in the state of Washington are divided in operating divisions as hereinafter stated.

A division extending from Trout Creek, Montana, to Wallula, Washington, a distance of 292.80 miles, of which 178 miles is situate within the state of Washington. That on said division between Trout Creek and Wallula there are 460 curves with an aggregate length of curve line amounting to 79.52 miles; that there is 213.28 miles of straight line and 56.91 miles of level track; that the ascending grades number 110, aggregating an ascent of 7,035 feet, said ascending grades having an aggregate length of 67.59 miles; that the descending grades

number 164, making an aggregate descent of 4,658 feet, and an aggregate length of said descending grade of 168.80 miles.

That on the operating division extending from Pasco to Ellensburg, being 125.92 miles in length, there are 143 curves with an aggregate length of curve line amounting to 35.32 miles; that there is 90.6 miles of straight line and 30.82 miles of level track; that the ascending grades number 49, aggregating an ascent of 1529 feet, said ascending grades having an aggregate length of 78.09 miles; that the descending grades number 25, making an aggregate descent of 504 feet, and an aggregate length of said descending grade of 17.01 miles.

That on the operating division extending from Ellensburg to Tacoma, being 124.46 miles in length, there are 223 curves, with an aggregate length of curved line amounting to 38.02 miles; that there are 86.44 miles of straight track and 17.96 miles of level track. That the ascending grades number 38, aggregating an ascent of 1460 feet, said ascending grades having an aggregate length of 44.44 miles; that there are 34 descending grades, making a descent of 2590 feet, said descending grades having an aggregate length of 62.05 miles.

That on the operating division between Tacoma and Portland, Ore., being 144.63 miles in length, 101 miles of which is situate within the state of Washington, there are 209 curves, aggregating 43.29 miles in length; that there is 101.34 miles of straight track, and 53.37 miles of level track; that the ascending grades number 33, aggregating an ascent of 1312 feet, said ascending grades aggregating 37.67 miles in length; that there are 135 descending grades, making an aggregate descent of 1320 feet, said descending grades having an aggregate length of 53.59 miles.

That on the operating division between Auburn, Washington, and Seattle, Washington, being 22.13 miles in length, there are 19 curves, aggregating a length of 4.62 miles; that there is 17.51 miles of straight track and 7.30 miles of level track; that there are 5 ascending grades, making an aggregate ascent of 42 feet, having an aggregate length of 3.27 miles; that there are 5 descending grades, making an aggregate descent of 100 feet, having an aggregate length of 11.66 miles.

That on the operating division from Seattle to Sumas, being 125.92 miles in length, there are 255 curves, aggregating 41.17 miles in length; that there is 84.75 miles of straight track and 25.13 miles of level track; that there are 222 ascending grades, making an aggregate ascent of 1984 feet, with an aggregate length of 47.54 miles; that there are 170 descending grades, making an aggregate descent of 1859 feet, having an aggregate length of 53.25 miles.

That on the Twenty-third street line in Tacoma, Washington, being 1.95 miles in length, there are 5 curves, aggregating .55 miles in length; that there is 1.40 miles of straight track; that there is 1.10 miles of level track; that there is one ascending grade making an ascent of 5 feet, having an aggregate length of .85 miles.

That on the Colorado street line in Seattle, being 2.77 miles in length, there are 4 curves, with an aggregate length of .37 miles; that

there is 2.40 miles of straight track, and 1.76 miles of level track; that there are two ascending grades making an aggregate ascent of 2 feet, having an aggregate length of .32 miles; that there are 2 descending grades, with an aggregate descent of 6 feet, having an aggregate length of .62 miles.

That on that portion of tne line extending from Marshall, Washington, to Lewiston, Idaho, being 138.76 miles in length, 97 miles of which is situate within the state of Washington, there are 415 curves, having an aggregate length of 60.22 miles; that there is 78.54 miles of straight track, and 12.32 miles of level track; that there are 50 ascending grades, making an aggregate ascent of 1908 feet, having an aggregate length of 49.48 miles; that there are 66 descending grades, making an aggregate descent of 1768 feet, having an aggregate length of 76.36 miles.

That on that portion of the line extending from Pullman to Genesee, Idaho, being 27.50 miles in length, 7 miles of which are situated within the state of Washington, there are 52 curves with an aggregate length of 10.80 miles; that there are 16.70 miles of straight track and 6.28 miles of level track; that there are 22 ascending grades, making an aggregate ascent of 479 feet, with an aggregate length of 17 miles; that there are 6 descending grades, making an aggregate descent of 186 feet, having an aggregate length of 4.22 miles.

That on that portion of the line extending from Belmont, Washington ,to Farmington, Washington, being a distance of 5.88 miles, there are 14 curves, having an aggregate length of 1.54 miles; that there are 4.34 miles of straight track, and .10 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 168 feet, having an aggregate length of 4.90 miles; that there is one descending grade, making a descent of 50 feet, having a length of .84 miles.

That on that portion of the line extending from Sunnyside Junction to Grand View, being 20.15 miles in length, there are 10 curves, with an aggregate length of 3.48 miles; that there is 16.67 miles of straight track, and 1.94 miles of level track; that there are 7 ascending grades, making an aggregate ascent of 175 feet, having an aggregate length of 11.95 miles; that there are 5 descending grades, making an aggregate descent of 78 feet, having an aggregate length of 6.25 miles.

That on that portion of the line extending from Cle Elum to Ronald, a distance of 5.41 miles, there are 21 curves with an aggregate length of 2.50 miles; that there are 2.51 miles of straight track; that there is one ascending grade, making an ascent of 474 feet, having a length of 5.41 miles.

That on that portion of the line extending from Palmer Junction to Meeker, being 33.57 miles in length, there are 40 curves, having an aggregate length of 6.94 miles; that there is 26.63 miles of straight track and 4.55 miles of level track; that there are 5 ascending grades, making an aggregate ascent of 109 feet and having an aggregate length of 3.51 miles; that there are 10 descending grades, making an

aggregate descent of 925 feet, and having an aggregate length of 25.41 miles.

That on that portion of the line extending from Kanasket to End of Track, being 14.79 miles in length, there are 61 curves, having an aggregate length of 6.65 miles; that there are 8.14 miles of straight track and 9.5 miles of level track; that there are 6 ascending grades with an aggregate ascent of 793 feet, and having an aggregate length of 9.18 miles; that there are 5 descending grades, making an aggregate descent of 279 feet, and having an aggregate length of 4.66 miles.

That on that portion of the line extending from Cascade Junction to Pittsburg, being 3.53 miles in length, there are 15 curves, having an aggregate length of 1.60 miles; that there are 1.93 miles of straight track; that there is one ascending grade, making an ascent of 166 feet and having a length of 3.53 miles.

That on that portion of the line extending from Cascade Junction, Wilkenson and Fairfax, being a distance of 16.62 miles, there are 39 curves, having an aggregate length of 7.12 miles; that there is 9.50 miles of straight track and .97 miles of level track; that there are 9 ascending grades making an aggregate ascent of 281 feet and having an aggregate length of 15.34 miles; that there are 2 descending grades, making an aggregate descent of 7 feet, and having an aggregate length of .31 miles.

That on that portion of the line extending from Crocker to Wingate, being 5.44 miles in length, there are 44 curves, having an aggregate length of 3.05 miles; that there are 2.39 miles of straight track and .04 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 376 feet and having an aggregate length of 5.40 miles.

That on that portion of the line from Orting to Puyallup, being a distance of 7.60 miles, there are 16 curves, having an aggregate length of 2.20 miles; that there is 5.40 miles of straight track; that there is one ascending grade, making an ascent of 353 feet and having a length of 7.60 miles.

That on that portion of the line from Woodinville to Sallal, being a distance of 39.19 miles, there are 94 curves, having an aggregate length of 12.93 miles; that there is 26.26 miles of straight track and 11.27 miles of level track; that there are 29 ascending grades, making an aggregate ascent of 874 feet and having an aggregate length of 20.84 miles; that there is 21 descending grades, making a total descent of 285 feet and having an aggregate length of 7.08 miles.

That on that portion of the line extending from Snohomish to Everett, being 11.41 miles in length, there are 29 curves, having an aggregate length of 2.78 miles; that there is 8.63 miles of straight track and 5.07 miles of level track; that there are 10 ascending grades, making an aggregate ascent of 65 feet and having an aggregate length of 1.72 miles; that there are 3 descending grades, making an aggregate descent of 125 feet and having an aggregate length of 4.62 miles.

That on that portion of the line extending from Arlington to Darrington, being 28.03 miles in length, there are 33 curves, having an aggregate length of 6.77 miles; that there is 21.31 miles of straight track and 2.33 miles of level track; that there is 12 ascending grades, making an aggregate ascent of 515 feet and having an aggregate length of 22.76 miles; that there are 5 descending grades, making an aggregate descent of 27 feet and having an aggregate length of 2.99 miles.

That on that portion of the line extending from Elma to Simpson, being 9.99 miles in length, there are 19 curves, having an aggregate length of 2.40 miles; that there is 7.59 miles of straight track and 3.20 miles of level track; that there is 3 ascending grades, making an aggregate ascent of 276 feet and having an aggregate length of 6.50 miles; that there is one descending grade making a descent of 13 feet and having a length of .29 miles.

That on that portion of the line from Lake View to Centralia, being 26.23 miles in length, there are 70 curves, having an aggregate length of 9.60 miles; that there is 46.83 miles of straight track and 16.03 miles of level track; that there are 29 ascending grades, making an aggregate ascent of 575 feet and having an aggregate length of 15.44 miles; that there are 31 descending grades, making an aggregate descent of 759 feet and having an aggregate length of 24.96 miles.

That on that portion of the line extending from Gate to Ocosta, being 53.04 miles in length, there are 50 curves, having an aggregate length of 12.42 miles; that there is 40.62 miles of straight track and 33.22 miles of level track; that there are 26 ascending grades, making an aggregate ascent of 147 feet and having an aggregate length of 6.45 miles; that there are 19 descending grades, making an aggregate descent of 258 feet and having an aggregate length of 13.37 miles.

On that portion of the line from Aberdeen Junction to Moclips, being 34.68 miles in length, there are 43 curves having an aggregate length of 8.58 miles; that there is 26.10 miles of straight track and 14.73 miles of level track; that there are 10 ascending curves, making an aggregate ascent of 142 feet and having an aggregate length of 9.84 miles; that there are 10 descending grades, making an aggregate descent of 403 feet and having an aggregate length of 10.11 miles.

That on that portion of the line extending from Cosmopolis Junction to Cosmopolis, being 1.81 miles in length, there are 9 curves having an aggregate length of .70 miles; that there is 1.11 miles of straight track and 1.49 miles of level track; that there is one ascending grade, making an ascent of 3 feet and having a length of .28 miles; that there is one descending grade, having a length of .04 miles.

That on that portion of the line from Chehalis to South Bend, being a distance of 56.68 miles, there are 91 curves, having an aggregate length of 19.80 miles; that there is 36.88 miles of straight track and 11 miles of level track; that there are 16 ascending grades, making an aggregate ascent of 609 feet and having an aggregate length of 25.10

miles; that there are 14 descending grades, making an aggregate descent of 777 feet and having an aggregate length of 20.58 miles.

That on that portion of the line extending from Kalama to Vancouver, being a distance of 29.81 miles, the are 46 curves, having an aggregate length of 8.59 miles; that there are 21.22 miles of straight track and 12.63 miles of level track; that there are 13 ascending grades, making an aggregate ascent of 76 feet and having an aggregate length of 13.07 miles; that there are 9 descending grades, making an aggregate descent of 49 feet and having an aggregate length of 4.11 miles.

That on that portion of the line extending from Vancouver Junction to Yacolt, a distance of 27.30 miles, there are 62 curves aggregating a distance of 8.65 miles; that there are 18.65 miles of straight track and 4.05 miles of level track; that there are 84 ascending grades, aggregating an ascent of 866 feet and having an aggregate length of 17.04 miles; that there are 44 descending grades, making an aggregate descent of 189 feet and having an aggregate length of 6.21 miles.

That on that portion of the line extending from Hartford to Monte Cristo, a distance of 42.12 miles, there are 159 curves, having an aggregate distance of 15.98 miles; that there are 25.14 miles of straight track and 4.23 miles of level track; that there are 107 ascending grades, aggregating an ascent of 2622 feet and having an aggregate distance of 55.7 miles; that there are 10 descending grades, aggregating a descent of 8 feet and aggregating a distance of 2.82 miles.

That on that portion of the line extending from Wickersham to Bellingham ,a distance of 22.44 miles, there are 82 curves, aggregating a distance of 10.63 miles; that there is 12.11 miles of straight track and 9.01 miles of level track; that there are 29 ascending grades, aggregating an ascent of 266 feet and having an aggregate distance of 4.80 miles; that there are 41 descending grades, aggregating a descent of 519 feet and having an aggregate distance of 8.82 miles.

That on that portion of the line extending from Woodinville to Black River Junction, a distance of 24.11 miles, there are 51 curves aggregating 12.18 miles; that there are 11.93 miles of straight track and 4.60 mlies of level track; that there are 5 ascending grades, aggregating an ascent of 40 feet and having an aggregate distance of 5.95 miles; that there are 9 descending grades, aggregating a descent of 132 feet and having an aggregate distance of 13.56 miles.

That on that portion of the line extending from Medical Lake to Davenport, Washington, a distance of 18.13 miles, there are 27 curves, aggregating 3.81 miles; that there are 14.32 miles of straight track and 3.05 miles of level track; that there are 7 ascending grades, aggregating an ascent of 272 feet and having an aggregate distance of 8.71 miles; that there are 8 descending gardes, aggregating a descent of 247 feet and having an aggregate distance of 6.34 miles.

That on that portion of the said line extending from Oregon-Washington state line to Dayton, Washington, a distance of 98.05 miles, there

are 195 curves, aggregating 29.87 miles; that there are 68.18 miles of straight track and 6.44 miles of level track; that there are 18 ascending grades, aggregating an ascent of 2758.9 feet and having a distance of 55.45 miles; that there are 12 descending grades, aggregating a descent of 1999.3 feet and having an aggregate distance of 36.15 miles.

That on that portion of the line extending from Eureka Junction to Pleasant View, a distance of 19.73 miles, there are 12 curves aggregating a distance of 2.40 miles; that there are 17.33 miles of straight track and 3.39 miles of level track; that there are 10 ascending grades making an aggregate ascent of 448.2 feet and having an aggregate distance of 13.18 miles; that there are 6 descending grades, making an aggregate descent of 71.9 feet and having an aggregate distance of 3.16 miles.

That on that portion of the line from Mill Creek Juction to Tracey, a distance of 6.13 miles, there are 24 curves, aggregating 1.75 miles; that there is 4.38 miles of straight line; that there is one ascending grade making an ascent of 420.6 feet and having a distance of 6.13 miles.

That on that portion of the line extending from Port Townsend to Quilcene, a distance of 26.2 miles, there are 14 curves, aggregating a distance of 2 miles; that there are 24.20 miles of straight track and 22.20 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 82 feet and having a distance of 2 miles; that there are 2 descending grades, making an aggregate descent of 82 fet and having an aggregate distance of 2 miles.

That on that portion of the line extending from Olympia to Tenino, a distance of 15 miles, there are 8 curves, aggregating 2 miles; that there are 13 miles of straight line and 12 miles of level track; that there are 2 ascending grades, making an aggregate ascent of 100 feet and having a distance of 3 miles.

No. 61.

That the Northern Pacific Railway Company employed upon its lines in the state of Washington, excluding general officers, the following named employees for the years hereinafter named, to whom it paid a total and average daily wage as follows:

FOR THE YEAR 1905.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	12	4,475	$50,583 33	$11 30
General office clerks	110	38,135	91,427 56	2 40
Station agents	134	48,963	111,898 60	2 20
Other station men	646	207,390	420,940 77	2 03
Enginemen	279	93,856	429,608 43	4 58
Firemen	279	93,856	239,563 58	2 55
Conductors	200	66,826	251,661 20	3 77
Other trainmen	595	197,078	517,494 25	2 63
Machinists	237	72,580	208,921 35	2 88
Carpenters	685	193,081	468,952 33	2 43
Other shopmen	632	199,345	471,308 22	2 36
Section foremen	233	83,203	160,144 82	1 92
Other trackmen	2,120	608,241	860,696 78	1 42
Switch tenders, crossing tenders and watchmen	94	35,864	51,649 58	1 44
Telegraph operators and dispatchers	209	65,782	166,154 97	2 53
All other employes and laborers	481	192,713	384,243 08	1 99
Employes floating equipment	28	10,619	26,516 24	2 50
Totals	[illegible]	2,212,007	$4,911,765 09	$2 22

FOR THE YEAR 1906.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	14	4,690	53,387 50	$11 38
General office clerks	155	49,806	125,925 06	2 53
Station agents	147	49,602	114,329 88	2 30
Other station men	789	262,059	529,781 01	2 02
Enginemen	325	117,434	535,345 33	4 56
Firemen	325	117,434	298,214 38	2 54
Conductors	214	78,957	295,770 81	3 75
Other trainmen	732	256,302	665,653 09	2 60
Machinists	248	75,285	232,877 75	3 09
Carpenters	581	174,988	433,123 67	2 48
Other shopmen	769	239,870	542,498 20	2 26
Section foremen	264	85,586	163,373 57	1 91
Other trackmen	2,822	681,201	975,421 30	1 43
Switch and crossing tenders and watchmen	89	34,480	57,963 64	1 68
Telegraph operators and dispatchers	268	87,980	221,338 57	2 52
All other employes and laborers	569	209,013	434,825 90	2 08
Employes floating equipment	31	10,908	27,099 95	2 48
Total	8,332	2,535,595	5,706,929 61	$2 25

FOR THE YEAR 1907.

CLASS.	Number.	Total days worked.	Total annual compensation	Average daily wage

ADDENDA.

The table showing the wages paid to, the number of days worked by and the average compensation of employees found on page 68 is compiled from the report made to the Railroad Commission by the company. The Interstate Commerce Commission in its rules of instructions to the railroads provided that the number of employees should be determined "from the pay rolls on June 30th, 1908." The number reported probably does not include any employees not on actual duty on said date.

FOR THE YEAR 1908.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	19	6,478	$70,309 92	$10 85
General office clerks	185	70,720	185,566 28	2 62
Station agents	148	59,562	148,439 55	2 49
Other station men	826	339,893	726,773 93	2 14
Enginemen	225	103 911	594,146 44	5 72
Firemen	225	103,911	379,864 11	3 66
Conductors	190	85,661	349,688 16	4 08
Other trainmen	605	278,025	813,081 19	2 92
Machinists	267	91,775	299,624 78	3 26
Carpenters	545	227,510	608,157 46	2 67
Other shopmen	851	309,246	769,214 38	2 49
Section foremen	249	94,162	209,199 48	2 22
Other trackmen	1,944	708,830	1,170,439 13	1 65
Switch and crossing tenders and watchmen	105	38,826	66,434 80	1 71
Telegraph operators and dispatchers	265	112 032	298,394 45	2 66
All other employes and laborers	625	272,137	588,974 84	2 16
Employes floating equipment	31	11,368	29,975 98	2 64
Totals	7,305	2,914,047	$7,308,284 88	$2 51

FOR THE YEAR 1905.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	14	4,690	53,387 50	$11 38
General office clerks	155	49,806	125,925 06	2 53
Station agents	147	49,602	114,329 88	2 30
Other station men	789	262,059	529,781 01	2 02
Enginemen	325	117,434	535,345 33	4 56
Firemen	325	117,434	298,214 38	2 54
Conductors	214	78,957	295,770 81	3 75
Other trainmen	732	256,302	665,653 09	2 60
Machinists	248	75,285	232,877 75	3 09
Carpenters	581	174,988	433,123 67	2 48
Other shopmen	769	239,870	542,498 20	2 26
Section foremen	264	85,586	163,373 57	1 91
Other trackmen	2,822	681,201	975,421 30	1 43
Switch and crossing tenders and watchmen	89	34,480	57,963 64	1 68
Telegraph operators and dispatchers	268	87,980	221,338 57	2 52
All other employes and laborers	569	209,013	434,825 90	2 08
Employes floating equipment	31	10,908	27,099 95	2 48
Total	8,332	2,535,595	5,706,929 61	$2 25

FOR THE YEAR 1907.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	15	4,908	$56,152 40	$11 44
General office clerks	191	61,470	161,426 66	2 63
Station agents	160	55,366	133,451 50	2 41
Other station men	1,026	316,600	684,038 63	2 16
Enginemen	489	178,485	769,617 91	4 31
Firemen	489	178,485	292,257 66	2 76
Conductors	295	93,381	358,230 79	3 84
Other trainmen	965	309,147	853,221 79	2 76
Machinists	348	105,767	320,623 97	3 03
Carpenters	794	226,545	578,328 79	2 55
Other shopmen	1,058	324,523	760,445 71	2 34
Section foremen	284	94,582	202,556 30	2 14
Other trackmen	4,550	1,122,087	1,861,870 14	1 66
Switch and crossing tenders and watchmen	104	36,861	61,194 95	1 66
Telegraph operators and dispatchers	347	111,119	291,412 12	2 62
All other employes and laborers	927	276,464	578,730 37	2 09
Employes floating equipment	31	11,120	28,802 02	2 59
Total	12,073	3,506,910	$8,192,361 71	$2 34

FOR THE YEAR 1908.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	19	6,478	$70,309 92	$10 85
General office clerks	185	70,720	185,566 28	2 62
Station agents	148	59,562	148,439 55	2 49
Other station men	826	339,893	726,773 93	2 14
Enginemen	225	103 911	594,146 44	5 72
Firemen	225	103,911	379,864 11	3 66
Conductors	190	85,661	349,688 16	4 08
Other trainmen	605	278,025	813,081 19	2 92
Machinists	267	91,775	299,624 78	3 26
Carpenters	545	227,510	608,157 46	2 67
Other shopmen	851	309,246	769,214 38	2 49
Section foremen	249	94,162	209,199 48	2 22
Other trackmen	1,944	708,830	1,170,439 13	1 65
Switch and crossing tenders and watchmen	105	38,826	66,434 80	1 71
Telegraph operators and dispatchers	265	112 032	298,394 45	2 66
All other employes and laborers	625	272,137	588,974 84	2 16
Employes floating equipment	31	11,368	29,975 98	2 64
Totals	7,305	2,914,047	$7,308,284 88	$2 51

No. 62.

From the consideration of the findings herein showing the amount expended for original construction of its lines, amount necessary to reproduce the property, its depreciated condition, the amount and value of its capital stock and funded indebtedness, the density of traffic and volume of business along its line, the physical condition and properties of its line, the facilities along its line for the transaction of business, and all land singular the findings hereinbefore set out ,the Commission finds that the present cash market value of the lines hereinbefore mentioned and dealt with as being operated by the Northern Pacific Railway Company in the state of Washington, including the Port Townsend Southern Railway, the Washington, Central Railroad Company and the Washington & Columbia River Railway Company, is the sum of $110,308,450.00; to which should be added the moneys expended for new construction, new equipment and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908.

No. 63.

That the operating division of the said railroad for the year 1906, in so far as the same affected the state of Washington, consisted of the Idaho division, extending on the main line from Trout Creek, Montana, westerly to Ellensburg, Washington, a distance of 403.60 miles, 286 miles of which are within the State of Washington, and 117.60 miles of which are outside of the state, the branch lines of said railroad embraced in said division being the branches connected with said line extending westerly from Trout Creek to a line drawn north and south through Ellensburg, consisting of 433.72 miles, of which 252.12 miles are within the state of Washington and 181.60 miles are outside of the state;

The Pacific division, extending on the main line from Ellensburg to Black River and thence southerly from Black River to Portland, Oregon, a distance of 312.12 miles, 272.96 miles of which are within the state and 39.16 miles of which are without the state and within the state of Oregon, the branch lines of said division including all the branches connected with said main line west of Ellensburg and south of a line drawn east and west through Black River, within the state of Washington and consisting of 356.73 miles, all of which is within the state;

The Seattle division extending on the main line from Black River to Seattle, a distance of 11 miles, all of which is within the state of Washington, the branch lines on said division including all the branches west of the Cascade mountains north of Black River and consisting of 303 miles, all of which is in the state of Washington.

No. 64.

That for the fiscal year 1906 the freight train miles on the main line of the Pacific division amounted to 1,155,377 miles, and the passenger train miles amounted to 1,008,608 miles. The freight train

miles on the branch line of said Pacific division amounted to 455,122 miles, and the passenger train miles amounted to 410,809 miles. The freight train miles on the main line of the Idaho division for said year amounted to 2,212,399 miles and the passenger train miles on such main line division division amounted to 1,173,936 miles, and the freight train miles on the branch line of said Idaho division amounted to 408,494 miles and the passenger train miles thereon amounted to 380,512 miles; the Seattle division consisting as aforesaid of 314 miles, 11 miles approximately of which while main line is largely within the yard limits of the city of Seattle, and for the purpose of these findings the entire division is treated as branch line division; that the freight train miles on said Seattle division amounted to 325,072 miles, during said time, and the pasesnger train miles amounted to 247,006 miles. That during the said time the freight car miles on the entire lines of the said company within the state amounted to 108,570,900 miles, of which 78,211,989 miles were loaded car miles and 30,358,911 miles were empty car miles, and the passenger car miles on said entire lines of said company during said time were 18,394,729 miles.

No. 65.

That during said year 1906 there was carried over the said main lines of the Idaho division 1,245,463,744 net ton miles of freight, and there was carried over the branch lines embraced within such Idaho division 58,787,786 net ton miles of freight; that during said time there was carried over the main line of the Pacific division 511,325,613 net ton miles of freight, and there was carried over the branch lines embraced within the said Pacific division 121,141,736 net ton miles of freight, and during said time there was carried over said lines embraced within the Seattle division 86,061,381 net ton miles of freight that during said time there was moved over the lines of the said company situate within the state of Washington 1,390,064,467 net ton miles of freight, leaving 632,715,793 net ton miles of freight moving over those portions of said operating divisions hereinbefore referred to outside of the limits of the state of Washington.

No. 66.

That proportionately the relation of passenger business to freight is greater on the branch lines than on the main line, and the proportionate expense between passenger business and freight business is greater on such branch lines than on the main line.

No. 67.

That in the practical operation of a railroad the power necessarily used in and expended in hauling the average passenger car as it is hauled when in service is practically the same as in hauling two average loaded freight cars or four average empty freight cars.

No. 68.

That the operating expenses charged to accounting divisions charged to portions of divisions according to state lines is made by said railroad company according to the rules adopted by it, a copy of which is hereunto annexed, marked Exhibit C and made a part of these findings.

No. 69.

That the cost of operating the Idaho division as shown by the accounting records of said railroad for the year 1906 was the sum of $5,185,812 made up as follows: Maintenance of way and structures, $1,267,292; maintenance of equipment, $1,035,863; conducting transportation, $2,497,830; general expenses, $384,827; and of this expense $4,194,878 was expended on the main line and $990,913 was expended on the branches. That the cost of operating the Pacific division for said year was the sum of $4,779,321, made up as follows: Maintenance of way and structures, $945,086; maintenance of equipment, $763,993 conducting transportation, $2,549,984, and general expenses, $320,257. That of this cost or expense the sum of $3,437,716 was expended on the main line and the sum of $1,161,604 was expended on the branch lines. That the cost of operating the Seattle division as shown by said accounting records for said year was the sum of $1,414,628, made up as follows: Maintenance of way and structures, $500,393; maintenance of equipment, $131,901; conducting transportation, $729,145; general expenses, $53,189.

No. 70.

That the total cost or expense of operating all divisions touching the state of Washington for said year as shown by said accounting records was the sum of $11,199,739, $9,291,072 of which was charged to the lines within the state of Washington and $1,908,667 was charged to the lines of such division outside of the state of Washington.

No. 71.

That of said sum of $9,291,072 so expended within the state, approximately $6,665,415 was expended in the interests of and in moving and transporting the freight traffic, and practically $2,625,647 was expended in the interests of and in conducting the passenger department, which for the purpose of this finding includes mail matter, express, dining and sleeping cars, special passenger trains, baggage, storage, lunch stands, telephone and telegraph service.

That on the Idaho main line division the percentage relationship between the cost of conducting passenger and freight business was 22.84 per cent. passenger and 77.16 per cent. freight; on the Idaho division branch lines the percentage relation was 34.20 per cent. passenger and 65.80 per cent. freight.

On the main line Pacific division the said percentage relationship was 32.75 per cent. passenger and 67.25 per cent freight, while on

the branch lines of said Pacific division said relationship was 33.60 per cent. passenger and 66.50 per cent. freight.

That on the Seattle division such percentage relationship was 29.77 per cent. passenger and 70.23 per cent. freight.

Making an average relationship of 28.26 per cent. passenger and 71.74 per cent. freight on all the lines within the state.

No. 72.

That of the said tonnage and ton miles of traffic mentioned and specifically set out and described in finding No. 53 hereof, grain constituted 21.02 per cent. of the ton miles thereof. Of the state grain 20.8 per cent. of the tonnage moved over the Spokane and Palouse branch of the Idaho division and 66 per cent. thereof of interstate grain moved over the said branch lines of said state grain 19.9 per cent. of the state grain tonnage moved over the Washington Central branch; 19.4 per cent. of the said grain tonnage moved over the Washington & Columbia River railroad (now a branch of the Northern Pacific); 32 per cent. of the interstate grain tonnage moved over the said Washington & Columbia River lines; that 31.9 per cent. of the state grain tonnage originated and moved over the Idaho division main line and over the Pacific division main line; 2 per cent. of the interstate grain tonnage originated on and moved over the said Idaho division main line and said Pacific division main line.

That of the state tonnage and ton miles. lumber and shingles, constituting 42.3 per cent. of the ton miles, a great proportion thereof originated on branch lines and particularly on the Seattle division and the Pacific division branches. Of the state lumber tonnage originating on the Seattle division and on the Pacific division branch the average distance said lumber was hauled on each branch was 57 miles; of the state lumber and shingle tonnage originating on the main line and delivered to points on the main line, the average distance hauled over such main line was 158 miles; that of said state lumber originating on the main line and terminating on the branches and originating on the ranch lines and terminating on the main line, the average length of haul on the branches was 57 miles, and the average length of haul on the main line was 158 miles. Of such lumber 31.36 per cent. of the tonnage and 40.85 per cent. of the ton miles was between main line points; 48.90 per cent. of the tonnage and 22.85 per cent. of the ton miles was between branch line points, and 19.74 per cent. of the tonnage and 36.30 per cent. of the ton miles was between main line points and branch line points, and of such 36.30 per cent. of the ton miles last mentioned 70 per cent. was on main line and 30 per cent. thereof was on the branch line. That of the interstate lumber and shingles, 60.26 of the tonnage and 8.05 per cent. of the ton miles moved over the Seattle division and the Pacific division branch lines an average distance of 57 miles, and 97.20 per cent. of the tonnage and 88.67 of the ton miles moved over the main line an average distance of 390 miles

within the state, and 2.80 per cent. of the tonnage and 3.28 per cent. of the ton miles passing through the state moved an average distance over the main line of 501 miles within the state.

That of the said tonnage and ton miles logs and other forest products constituting 3.67 per cent. of the ton miles, moved principally over the Seattle branch, and those portions of the Pacific branches known as the Buckley, Grays Harbor and Vancouver branches, there being 96 per cent. of the state tonnage and 90.05 per cent. of the state ton miles moving over such branches with an average haul of 26 miles; said tonnage and ton miles last mentioned representing logs, the remaining tonnage and ton miles being other forest products consisting of wood, posts, poles and ties. That in hauling logs the empty car movement is practically equal to the loaded car movement, that the cars hauling such logs are loaded and unloaded with promptitude by the shippers and consignees.

That of the said tonnage and ton miles intrastate coal constituting 4.779 per cent. of the ton miles moved 79.67 thereof from main line points to main line points, 20.33 per cent. thereof moved from main line points to branch line points and from branch line points to main line points; that of said tonnage and ton miles interstate coal constituting 1.60 per cent. of the ton miles moved 87.69 thereof from main line points to main line points, and 12.31 thereof moved from branch line points to main line points and from main line points to branch line points. Of the shipments from main line points the branch line on state coal was 9.98 per cent. of the ton miles and the main line haul was 90.02 per cent. of the ton miles, and of the interstate coal the branch line ton mileage was 8.24 per cent. and the main line ton mileage was 91.76 per cent.; the ton miles from the Buckley branch on state coal was 61.45 per cent. branch line haul and 38.55 per cent. main line haul, while the interstate coal from said Buckley branch was 16.53 per cent. branch line haul and 83.47 per cent. main line haul. From Ellensburg 2.75 per cent. of the ton mileage on state coal was branch line haul while 97.25 per cent. was main line haul, and of the interstate coal from Ellensburg 9.67 per cent. of the ton mileage was branch line haul and 90.33 per cent. thereof was main line haul. The coal originating on the Seattle division was state tonnage. The empty car movement on state coal practically equals the loaded car movement. A small percentage of interstate coal has return loads of state and interstate grain.

That of the ton miles mentioned in finding No. 53 consisting of iron and steel articles, steel rails, machinery, fresh meat, packing house products, canned salmon, butter, eggs and cheese, cement and plaster, fresh fruit, beer and liquors, new furniture, hops and agricultural implements the great preponderance of ton miles on each of said articles being interstate, the average distance hauled outside of the state being greatly in excess of the average distance hauled over the lines within the state, the articles mentioned, with the exception of canned salmon and hops originating outside of and mov-

ing into the state, the interstate moving largely to the jobbing centers of Spokane, Seattle, Tacoma and Portland; said ton miles consisting almost wholly of shipments from such jobbing centers to points within the state and the movement of each of said articles being practically similar as to main line and branch line haul, empty car movement and net weight of contents of car, the relative cost of moving such articles state and interstate is practically the same on each of said articles and no peculiar or special conditions exist effecting the cost of service or the relative cost between moving state and interstate freight, other than as set out in finding No. 53.

That of said ton miles of state hay, approximately 20 per cent. thereof was on the Idaho division main line and 80 per cent. thereof was on the Pacific division main line. That of said ton miles of interstate hay approximately 95 per cent. thereof moved over the main line of the Idaho and Pacific divisions practically an equal distance over each division, and approximately 5 per cent. moved over the branch lines of the Idaho division. That no peculiar or special conditions effecting the cost of service or the relative cost between moving the state and interstate miscellaneous car load freight exists other than as set out in finding No. 53.

That of the ton miles of ore mentioned in finding No. 53 the great proportion thereof moved from points in Montana over the main line to Tacoma, being within the state practically all main line haul.

That less than car load shipments mentioned in finding No. 53 moved very largely state shipments from the shipping centers of Seattle, Tacoma and Spokane, to other points in the state on short hauls, whereas the interstate shipments moved very largely from Minnesota transfer and via Billings, Montana, to the jobbing centers above mentioned and consists of very long hauls. A large tonnage of interstate freight moved to and from Portland, Oregon, on a short interstate haul, which greatly reduces the average length of haul of this class of interstate freight both within and without the state. Considerable interstate shipments moved by water via Tacoma and Seattle, consigned to interior points. The same car leaving Spokane, Seattle or Tacoma containing less than car load freight carries both state and interstate freight for distribution along the line, merchandise shippers in Portland enjoying a large jobbing trade along the line of the Northern Pacific in southwestern and southeastern Washington. Peddler cars leaving Portland, Oregon, on local trains containing less than car load shipments for southwestern Washington, and particularly for points on Grays Harbor and South Bend branches, are consolidated at Chehalis and Centralia with peddler cars containing merchandise from Seattle and Tacoma destined to the same territory and such merchandise is then carried in the same train for distribution. Peddler cars containing merchandise in less car loads leaving Portland on through trains destined to points in eastern and southeastern Washington, such cars are so moved to Tacoma

and there the freight is reassembled with merchandise from Seattle and Tacoma destined to similar territory, or is carried in the same train as such Seattle or Tacoma merchandise and distributed at the points of destination. Approximately 12.90 per cent. of the expense incurred in handling freight business is chargeable to moving less than car load business while such freight represents but 4 per cent. of the ton miles, the larger proportion of this expense is incurred at the large terminals through employment of men engaged in handling such freight. The men so employed receive and check the interstate freight and prepare expense bills therefor; they receive, check into the cars and prepare bills for forwarding the state freight, and the difference in cost depends upon the volume of business state and interstate. That said state less than car loads moved over the lines in this state as follows: Five per cent. of the ton miles on the branches of the Idaho division, 35 per cent. on the main line of the Pacific division, 25 per cent. on the branch lines of the Pacific division, 15 per cent on the Seattle division and 20 per cent. on the combined Idaho and Pacific division main line. That said interstate less than car load freight moved approximately 2 per cent. on the branches of the Idaho division, 5 per cent. on the branches of the Pacific division, 3 per cent. on the Seattle division and 90 per cent. on the combined Pacific and Idaho division main line.

No. 73.

That the average cost of moving a ton of freight one mile over the lines and branches as the same does move divided by the methods adopted by said company hereinbefore referred to, is as follows: On the main line of the Idaho division, .3118 cent; on the branch lines of the Idaho division, 1.3309 cents; on the main line of the Pacific division, .5426 cent; on the branch lines of the Pacific division, .7652 cent; on the Seattle division (considering all as branch and yards), 1.3853 cents; on the combined Pacific and Idaho division main line, .3790 cent; on the combined Seattle division and the branch lines of the Pacific division, 1.0228 cents. The average cost of moving a ton of freight one mile in the state by such company according to the method adopted by it is the sum of .4795 cent. That the figures in this finding hereinafter given as to the relative or percentage cost of moving the different commodities is the percentage relation which the cost of moving such commodity bears to the cost of moving the average ton above mentioned of .4795 cent. That the cost of moving a ton of state grain one mile as the same moves over the different lines and branches is .7892 per cent of the average cost of moving the average ton of freight one mile; that the cost of moving a ton of interstate grain over the lines in this state as the same moves is .7587 per cent. of the average cost aforesaid.

That the cost of moving a ton of state lumber in this state one mile is 1.3174 per cent. of the average cost aforesaid; that the

average cost of moving a ton of interstate lumber over the lines in this state is .6940 per cent. of the average cost aforesaid.

That the cost of moving a ton of state coal one mile is .9228 per cent. of the average cost aforesaid; that the cost of moving an average ton of interstate coal over the lines in this state is .8646 per cent. of the average cost aforesaid.

That the cost of moving a ton of state logs and other forest products one mile is 1.5535 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate logs and other manufactured forest products over the lines in this state is 1.2214 per cent. of the average cost aforesaid.

That the cost of moving a ton of state ore one mile is 1.7847 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate ore one mile over the lines in this state is .6648 per cent. of the average cost aforesaid.

That the cost of moving a ton of state iron and steel articles one mile is .9872 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate iron and steel articles one mile over the lines in this state is .7331 per cent. of the average cost aforesaid.

That the cost of moving a ton of live stock state is 1.2769 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate live stock one mile over the lines in this state is 1.0206 per cent. of the average cost aforesaid.

That the cost of moving a ton of state hay one mile is 1.2150 per cent. of the average cost aforesaid; that the cost of moving a ton of interstate hay one mile over the lines in this state is 1.0440 per cent. of the average cost aforesaid.

That the cost of moving a ton of state salmon one mile is 2.5424 per cent of the average cost aforesaid; that the cost of moving a ton of interstate salmon one mile over the lines in this state is .7595 per cent. of the average cost as aforesaid.

That the cost of moving a ton of less than car load state freight one mile is 7.0342 per cent. of the average cost as aforesaid; that the cost of moving a ton of interstate less than car load freight one mile over the lines in this state is 2.0855 per cent. of the average cost as aforesaid.

That the car load freight not hereinbefore mentioned and consisting of practically .1442 per cent. of the ton miles can be grouped without materially changing the relative cost of moving the state and interstate business respectively. That of such remaining freight the cost of moving a ton of state freight one mile is .9862 of the average cost aforesaid, and the cost of moving a ton of such interstate freight one mile over the lines in this state is .8840 per cent. of the average cost aforesaid.

No. 74.

That the cost of operating the different divisions as shown by such rules adopted by said company and hereinbefore referred to

is ascertained by charging to such division, among other charges, the total expense of station employes, yard masters, and other clerks and railroad conductors and brakemen and all expenses incurred at such point irrespective of whether the service performed is for the benefit of freight moving over the entire line of said company. A car load of freight moving from Minnesota transfer to Seattle is discharged in Seattle and the entire cost of the terminal expense at Seattle is charged to the Seattle division although the freight moved over such division not to exceed 11 miles.

The cost of moving a car load is made up of the terminal expense at Minnesota transfer, the hauling charge and the terminal expense at Seattle, which divided by the miles hauled give the cost per ton mile of moving the car load. The terminal charge on interstate business, both received and forwarded, as well as the assembly charge on all forwarded freight originating on their main line or expensive branch lines in this state is by said rules charged to the cost of moving such interstate freight over the lines in the state of Washington, while the revenue derived therefrom and hereinafter referred to is credited as earnings to the state in the proportion which the miles such freight is carried within the state bears to the total miles such freight is carried. That by distributing the terminal charges on interstate freight received and forwarded, together with the increased assembly charges on the expensive branch lines, on forwarded interstate freight over one-half the total haul, which the Commission finds should be done, the cost of operating the lines in Washington properly applicable and chargeable to the cost of freight movement is reduced from $6,665,415 to $6,058,619.

No. 75.

That of said sum of $6,058,619 expended in handling the freight traffic handled over the lines of the Northern Pacific railroad in the state of Washington, $2,340,892 thereof was expended in handling and for the benefit of the intrastate freight, and $3,717,717 was expended in handling and for the benefit of the interstate freight moving over such lines. That of said $2,625,647 above mentioned as expenses incurred in the passenger department, $366,070 was expended in moving mail and express matter and baggage, and in operating dining cars, sleeping cars, lunch counters, telegraph and telephone, leaving $2,259,577 properly chargeable to passenger service or against passenger revenue.

That of said sum of $366,070 expended as aforesaid the sum of $142,418 was incurred in handling express business, of which $86,379 was incurred in handling intrastate express and $56,039 was incurred in handling interstate express, the sum of $93,148 was expended in handling mail matter, of which $40,305 was incurred in handling intrastate mail, and $52,843 was incurred in handling interstate mail, and the sum of $34,280 was incurred in handling excess baggage and in storing baggage, of which $18,870 was incurred in handling intrastate baggage and $15,410 was incurred in handling interstate

baggage; the sum of $18,779 was incurred in conducting lunch stands and special trains, all of which was expended on intrastate business; the sum of $71,623 was expended in operating sleeping, dining and combined observation and grill cars, of which $33,441 was expended on intrastate business and $38,182 was expended on interstate business; the sum of $5,821 was expended in the operation of telephone and telegraph service, all of which was incurred in the state business.

No. 76.

That of said sum of $2,259,577 expended in handling and for the benefit of the passenger business, $836,947 was expended in handling and for the benefit of the intrastate passenger business and $1,422,630 was expended in the handling and for the benefit of the interstate passenger business moving over its lines.

No. 77.

That in these findings the term "revenue derived from state business" means the gross receipts from freight and passengers carried on a continuous contract wholly within the state, and "revenue derived from interstate business" means the receipts derived from freight and passengers carried under continuous contract where a portion of the carriage is outside the state, and such terms are used in referring to the earnings from intrastate and interstate traffic with reference to the definition hereinbefore given of intrastate and interstate traffic respectively. In ascertaining the revenue earned over or by the lines in this state on interstate business the same method has been used by the Commission as is used by the Northern Pacific Railway accounting department, to-wit, ascertaining the total gross earnings of the company on the item of freight moved or passengers carried and crediting to the state of Washington, as earnings over the lines in this state from such interstate business in the proportion that the freight or passenger mileage within the state bears to the total miles the freight or passenger was carried over the company's lines. Revenues derived from mail matter were apportioned, state and interstate, as follows: The earnings from mail cars moving partly within and partly without the state and from mail routes partly within and partly without the state, was ascertained and the earnings apportioned to the lines within the state on a mileage prorate; to this was added the earnings of said company from mail cars moving entirely within the state and from mail routes locally and entirely within the state; fines and penalties imposed by the government were deducted and the net gross receipts allocated state and interstate in the proportion that the average weight of the state mail carried over the said lines and routes bears to the average weight of interstate mail carried over the same lines and routes.

Revenue derived from express was apportioned state and interstate as follows: Receipts from all interstate express business were credited to the state as interstate earnings on a mileage prorate; all

earnings on strictly state express was credited to the state as state earnings.

Revenue derived from baggage storage and excess baggage collections were apportioned state and interstate as follows: All revenue derived from baggage storage was credited to state earnings; excess baggage collections within the state were allocated state and interstate in proportion to the passenger earnings wthin the state, state and interstate.

Revenue derived from miscellaneous earnings were credited to the state earnings with the exception of rents from commercial property and interest on bank balances, which were not taken into consideration or considered as earnings of the road, as all commercial property was excluded in ascertaining the value of the railroad's investment.

No. 78.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in this state on state and interstate business for the year 1905, excluding rents from commercial property and interest on bank balances, was the sum of $13,951,353, while for such period the operating expenses as shown by the accounting records of such company was the sum of $7,889,393, which sum, however, includes terminal and assembly charges incurred within the state as shown and referred to in finding No. 74.

No. 79.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state on interstate and state business for the year 1906, excluding the revenue from commercial property and interest on bank balances, was the sum of $18,013,230, while the operating expenses for the same period was the sum of $8,684,256 as before stated.

No. 80.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state for the year 1907, excluding revenue from commercial property and interest on bank balances, was the sum of $19,674,333, while for such period the operating expenses as shown by the accounting records was the sum of $11,694,333, which sum, however, includes all terminal and assembly charges incurred within the state on the interstate business as shown and referred to in finding No. 74, and also includes increased expenditures in maintenance of way and structures over the preceding year of approximately $1,500,000 necessitated by unprecedented floods and washouts, which floods and washouts also added greatly to the cost of conducting transportation over normal conditions.

No. 81.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad company in the state for the

fiscal year ending June 30, 1908, including the revenue from commercial property and interest on bank balances, as the sum of $21,331,857, exclusive of sleeping, parlor, chair and dining cars and hotels and restaurants, while the operating expenses as shown by the accounting records of said comapny was the sum of $11,564,772, which sum, however, includes all terminal and assembly charges incurred within the state on interstate business as shown and referred to in finding No. 74.

No. 82.

That of said sum of $18,013,230 earned by said company for the fiscal year ending June 30, 1906, $8,351,886 was revenue received from state business and $9,387,525 was revenue received from interstate business.

No. 83.

That of said sum of $21,331,857 earned by said company for the fiscal year ending June 30, 1908, $11,761,643 was revenue derived from state business and $9,570,214 was revenue derived from interstate business. That during the fiscal year ending June 30, 1908, and on or about the first day of November, 1907, said company promulgated and put in force a tariff increasing the rates on interstate lumber very materially and in many instances exceeding 20 per cent. increase. That proceedings were instituted by the lumber interests of the state before the Interstate Commerce Commission and before the courts challenging the reasonableness of said increase and to enjoin its collection. That by reason of the existing conditions the interstate shipments on lumber were very greatly reduced during the balance of said fiscal year and the gross earnings from interstate business over the lines in this state greatly reduced over what they would have been under normal conditions in the lumber traffic.

No. 84.

That while the volume of business has increased each year since 1905, the percentage relation between the commodities moving state and interstate as shown and set out in finding No. 53, which by said findings is confined to the year 1906, has remained practically the same under normal conditions and the percentage relation in said finding set out showing the movement of the different commodities state and interstate is the average percentage relation under each of the years 1904, 1905, 1906, 1907 and 1908. That during the fiscal years 1904, 1905, 1906, 1907 and a part of 1908, up to the first of November, 1908, fir lumber was carried from Puget Sound to St. Paul, Minneapolis and Duluth and intermediate points east of Billings, Montana, for 40 cents per hundred pounds and cedar shingles at 50 cents per hundred pounds, and from Puget Sound to Omaha and other Missouri river points, fir lumber was carried for 50 cents per hundred pounds and cedar shingles for 60 cents per hundred pounds, the price on lumber and shingles to all points east and beyond Duluth and St. Paul to all points southeast and beyond Omaha

being fixed with reference to such 40-cent and 50-cent charge on lumber and such 50-cent and 60-cent charge on shingles respectively. That more than thirty days prior to the first day of November, 1907, said railroad filed with the Interstate Commerce Commission and posted a tariff to become effective on the first day of November, 1907, by which the 40-cent rate above mentioned on fir lumber was increased to 50 cents, and the 50-cent rate on fir lumber above mentioned was increased to 55 cents, and the 50-cent rate on shingles was increased to 60 cents and the 60-cent rate on shingles was increased to 65 cents. As before stated complaint was filed before the Interstate Commerce Commission challenging the reasonableness of such increase in rates, resulting, after a full hearing, in the Commission fixing the following maximum from Pacific coast points to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, on firm lumber, 45 cents per hundred pounds; from the Pacific coast to the territory last mentioned, on shingles, 55 cents per hundred; leaving the old rate from Omaha and other Missouri river points of 50 cents on fir lumber and 60 cents on cedar shingles as a maximum, and further provided that said rates should remain in force, without being increased for the term of two years. That the maximum rates so fixed have been charged since such hearing. That an action has been commenced by said railroad in the Circuit Court of the United States for the district of Minnesota to review the maximum fixed by the Interstate Commerce Commission on the ground that said maximum rates are so low as to amount to a confiscation of the property of said railroad, which action is still pending. That of the lumber and shingle tonnage carried by said railroad over its lines hereinbefore set out 59.85 per cent moves to St. Paul, Minneapolis, Duluth and points east and beyond and to intermediate points east of Billings.

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff superseding the tariff then in force which tariff becomes effective January 1st, 1909, by which the rate on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905, the advance in such westbound freight being approximately as follows:

On reapers, mowers, headers, mower knife grinders, harvesters, hay teders, hay rakes and extra parts for same; hay presses (including horse powers for same) and extra parts thereof; horse rakes, horse hay forks, hay carriers, hay loaders, hay slings, sweep rakes and hay stackers and extra parts for same; land rollers and soil pulverizers; manure spreaders and extra parts for same; threshers (including clover hullers and straw stackers), tank wagons, engine power on its own wheels and horse powers for the same, and extra parts thereof; harrows, disc harrows, with seeder attachments, plows, cultivators, combination hand cultivators, seed drills, corn planters and potato diggers and extra parts for same; seed drills, including beat drills and extra parts for same; stump pullers and extra parts for same; iron wheels for cultivator implements; shovels, spades and scoops in packages in carloads;

cotton bags in bales or trusses; in carload lots; beans and peas dried, split or whole, in sacks or barrels in carload lots; billiard tables (including toy billiard tables), K. D. slates or marbles, cues, cue racks, ball racks, composition pool or billiard balls, composition shake balls, shake bottles, pin pool boards, billiard marker buttons, billiard bridges, billiard cue tips, billiard chalk and billiard table covers; traction engines, cylinder water wagons or tank wagons in mixed carloads with traction engines; ginger ale, root beer and carbonated beverages (not alcoholic) mineral water in glasses or stone, boxed or in barrels or in bulk or in kegs or casks in L. C. L.; cider mills, bark mills, bone mills, corn, feed and paint mills, in less carloads; fish netting (cotton) in L. C. L.; ochre in packages in less carloads; hand pumps, not including bicycle pumps, force pumps made of iron or wood (not rotary) with or without brass valves and cylinders, drive well points and strainers and parts thereof; hydraulic rams, hand spray pumps, hand spraying machines, and knapsack sprayers in carload lots; car wheels and axles, in carload lots; rice polish (rice rust) rice bran or rice hulls in packages in straight or mixed carload lots; rubber boots and shoes including tennis shoes boxed in less carloads; drag scrapers, sheep dipping liquid, boot trees and clamps, eyelets, shoe buckles, shoe hooks, metal shoe horns (not gold or silver plated) and shoe button hooks; shoe buttons, shoe pegs; school slates in less carloads; stitching horses K. D. boxed or crated; stone, rough, sawed or cut to dimensions and not polished; instructive toys for use in kindergartens made in wood and paper; toy games; toy books, toys, tin lead or iron; toy musical instruments, toy torpedoes, and toy caps in boxes or barrels; toy trumpets, boxed or crated; toy furniture, not including children's furniture; trucks (store and warehouse, including baggage wagons), baggage barrows K. D., dollies and dry kiln and lumber trucks; farm wagons and common dump carts, dump wagons, and hand or push carts; lumber buggies and extra parts thereof; wind mills and parts of same including tanks and towers wood or metal, windmill pumps, and pipe necessary to connect pump heads and cylinders; approximately 8%.

On all articles taking class A rates specified in western classification under the head of agricultural implements (not including hand implements, farm wagons, trucks or gasolene engines) and also under the head of agricultural implements and parts thereof in straight or mixed carloads; feed and ensilage cutters, including horse powers, carriers, blowers or elevators for same; smut machines, fanning mills or grain cleaners and extra parts of same; barley forks (wooden), potato forks, hay or manure forks, spading forks, hoes, wooden or iron rakes, scythes and snaths; potato sorters and potato diggers; bitters in glass, packed in wood in carload lots; blowers, forges and drills when crated, approximately 7½%.

On drain cleaners in packages; mower knife grinders, boxed or crated; shovels, spades and scoops in packages in less carloads, cotton bags in bales or trusses in less carloads; baking powder and baking

powder compound boxed in less carloads; rubber belting in less carloads; leather belting in less carloads; carpets N. O. S. art carpet, rugs (invoice value not exceeding $100.00 each); carpet lining in rolls or compressed in bales in less carloads; cream of tartar in boxes in less carloads; creosote in tank cars; cotton piece goods in the piece (28 commodities specified) in less carloads; hemlock bark extracts in less carloads; oak bark in barrels or sacks in less carloads; glassware except cut, N. O. S. (in boxes or barrels) in less carloads; grind stones (and frames) mounted or unmounted; hollow ware of cast iron, plain or enameled including pots, kettles, skillets, spiders, Scotch bowls, etc., in less carloads; anvils or anvils and vises combined in carload lots; steel balls (rough or forged), bar and slab iron up to and including 6 inches in width, wrought, hoop or band iron, in carload lots; boiler iron, plate and sheet iron, N. O. S. not bent or punched; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws in carload lots; iron or steel box straps in carload lots; iron and steel butts and hinges in carload lots; castings N. O. S. in no way hand or machine finished except being drilled with bolt holes; iron conductor pipes, eave troughs, elbow and trough hangers for same in less carloads; forgings, rough, not further finished than being drilled with bolt holes not over 32 feet in length and weighing less than 6,000 pounds; iron and steel hasps, hooks, hoop keeps, staples and lap links in boxes in carload lots; wooden screws N. O. S. in boxes or kegs in carload lots; saleratus and bi-carbonate of soda and soda carbonating compound in less carloads; shafting, finished, with hangers, collars, couplings, cranks and crank shafts in less carloads; iron and steel horse, mule and ox shoes, including toe chalks in boxes or kegs in carload lots; sucker rods in packages in carload lots; telephone, telegraph and electric poles, cross arms and cross arm braces for same in carload lots; telephone and telegraph pole steps in packages in carload lots; baling ties in packages in carload lots; lamp fixtures (not electric) in boxes, barrels or casks, including glass, plain or decorated, not exceeding a net cost of $3.00 per dozen, in less carloads; lanterns (not including magic, paper or toy lanterns), in boxes, barrels, casks or crates in less carloads; liquors as follows: alcohol, including wood alcohol, high wines and pure spirits, in bulk in barrels or drums, carriers' liability limited to $2.00 per gallon measurement, unless actual value is less, in carload lots; matches in paper or wooden boxes, packed in metalic or wooden cases in less carloads; matting, mats and rugs, rubber (including rubber bindings), paper, cocoa, straw, coir, corn, jute, grass, hemp and rope in packages; mining car wheels, with or without axles, nails, spikes, wire fence; horse nails in boxes in carload lots; cement coated nails in boxes or kegs in carload lots; packing N. O. S., including rubber packing; white or red lead or litharge, dry or in oil in cans (packed in boxes or barrels) or in barrels, casks, kegs, kits, boxes or iron drums; powder keg material boxed, in carload lots; preservaline and salvaline; meat preservaline in packages; hand pumps

(not including bicycle pumps), force pumps made of iron or wood (not rotary), with or without brass valves or cylinders and parts thereof when boxed, hydraulic pumps, in less carloads; rice, rice flour, rice meal, rice flakes or flaked rice and broken rice, in carload lots; rubber springs in packages; saddle trees; sad irons (not including electric, gas, gasolene, or charcoal), and handles for same in carload lots; scales and scale beams N. O. S., not including computing scales, gold weighing scales or assayers' scales or apothecaries' scales, in less carloads; wire, iron, plain, galvanized, tinned or coppered, in carload lots; drag scrapers in less carloads; silicated cloth (for blackboards), school slates, boxed, in carload lots; sledges, wedges and mauls, iron or steel in boxes, in carload lots; tinware, nested solid; window curtain poles, iron, plain or washed with brass; barbed wire, wire for fencing, including staples and steel stayguards and stretchers; wire fencing in rolls (including not to exceed 12 stretchers, also including, if desired, staples, steel stayguards, and wire fence gates), and coarse wire netting for fencing, in packages, in less carloads; wooden mats and flooring; approximately 6%.

On hay rake teeth, in less carloads; wire cloth and netting, boxed, in carload lots; ginger ale, root beer, carbonated beverages (not alcoholic), also mineral water in glass or stone boxes, in barrels or bulk, in kegs, barrels or casks, in carload lots; champagne in boxes or baskets; mining cars and dump cars, or parts thereof, also turn tables, portable trucks for same, loaded on standard gauge cars; toilet water (not including perfumery); wind mills, K. D., in packages, wind mill and tank towers in packages; wall coating and wall finish N. O. S., in carloads; glue in boxes, barrels or kegs; approximately 12%.

On plow beams, iron or steel, plow points, shares, lays and wings or mold boards, also plow and harrow discs, cultivators, shovels, road scrapers, blades, iron or steel in less carloads; potato sorters and potato diggers in mixed carloads; bath tubs, water closet bowls, and cisterns, urinals, wash bowls, including stands, K. D stationary wash tubs, cast iron or seamless steel, plain, painted, and galvanized; granite lined or porcelain lined bath tubs, cast iron, plain, painted, galvanized, poreclain lined, in straight carloads; bitters in glass, packed in wood; blowers, forges and drills, crated; wine, beer, whiskey or brandy bottles (not including druggists' prescription bottles and bottles of similar shape), common soda water bottles (not siphon), in bulk or in boxes, casks or crates; lumber trucks and hand or logging cars; glass globes and chimneys for lanterns in boxes, barrels or crates, also glass lamp chimneys packed in double faced corrugated past board boxes (subject to restrictions); road scrapers and road machine grading plows, land graders and street rollers in carload lots; crackers, matzos or matzos meal, cakes, fruit biscuit, pretzels, toast and shredded wheat biscuit, in boxes or barrels or in baskets or tubs, with tight wooden covers or in tin cans, or in paper cartoons; machinery for creamery and

cheese factories and parts thereof; medicines and chemicals, medicinal oils, witch hazel, medicinal and flavoring extracts and dye stuffs, N. O. S., in packages, medical and surgical plasters, surgical dressings and absorbent cotton, boxed; cotton buck and denims in less carload lots; cotton drills, cotton sheetings and cotton bagging bleached or unbleached, in less carloads; enameled cloth and table and shelf oil cloth and covers, boxed, in less carloads; wigans, window shades, cloth or hollands uncut and undecorated, in less carloads; dynamos and electric motors and parts; extracts of beef and tomato bouillon, boxed in carload lots; extract of coffee in boxes, in carload lots; root beer, ginger ale, and extract of lemonade, in carload lots; baby food, prepared, including malted milk and milkine, in boxes, in carload lots; sanitarium foods, N. O. S., in carload lots; corrugated furnace or flues for marine boilers; egg beaters, files, corn poppers, traps, including 12 commodities; structural iron grouping; steam boilers under 30 feet in length and fire brick for use in same; shafting, finished, including hangers, collars, couplings, cranks and crank shafts, in carload lots; plain shafting, without connections; tanks, including enameled or glass lined tanks, N. O. S.; locomotives and tenders, on flat cars (subject to rule 12); machinery and machines taking class A rate specified under machinery and machines in Western Classification, including truss hoops, shingle machines, iron link belting, roller mills, pulley clutches, iron shafting, steam and oil separators, steam traps, cast iron exhaust heads, iron valves, water jackets for cylinders, iron gear wheels, windlasses, winches, ship steerers, beer pasteurizers, drag saws, with steam or horse power attachments, and stamp mill mortars, straight or mixed; meters, N. O. S. (except electric), boxed or crated; cider mills, bark mills, bone mills, grain, feed and paint mills in carloads; mosquito netting and netting in boxes or bales; oil well supplies; plaster (land), in packages, in carload lots; force pumps, steam, electric or other power, N. O. S., combined brass and iron, and parts thereof; spraying pumps (hand power); quicksilver flasks, in carload lots; railway supplies for steam or electric railways and air brake equipment, chairs, track braces, etc.; refuse burner material, with castings for grate bars, stands, draft doors and frames and spelt bottom (opening for refuse); rubber clothing, including mackintoshes or garments of similar character, and rubber gloves and soft rubber hats, boxed, in less carloads; circular saws, mill saws, cross cut saws and drag saws, on boards or boxed; saw blades in packages and band saws crated, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds except in tin cans), also washing crystals, in carload lots; alfalfa, beet, clover, hemp, flax, garden, sunflower and sorghum seed, in less carloads; sewing machines and component parts, in boxes or crates, in carload lots; stills, oil refining and cooling tanks for same, in carload lots; tricycles, velocipedes, childrens', K. D. crated or boxed, in carload lots; childrens' toy wagons, toy wheel barrows, in mixed carloads; washing machines, including dish washing machines, boxed or crated, in carload lots; approximately 7%.

On plow points, shares, lays, wings, mold boards, also plow and harrow discs, cultivator shovels, road scraper blades, iron or steel, in carload lots; ales, beer and porter, in wood or in glass, packed, in carload lots; baking powder and baking powder compound, in carload lots; bath tubs, water closets, bowls, cisterns, urinals, wash bowls, including stands, K. D., stationary wash tubs, cast iron, plain or painted, galvanized, granite lined or porcelain lined, in less carloads; beer, beer tonic, malt extract, liquid bread, in glass or stone, packed or in wood (subject to estimated weights provided in western classification), in carload lots; boots and shoes, N. O. S., in less carloads; knobs for furniture, locks and pictures, and sash locks and fasteners, in less carloads; toys, boxed, including marbles, toy alphabets, building blocks, banks and toys, N. O. S., in less carloads; tricycles and velocipedes, childrens', K. D., in less carloads; bottles and flasks, glass, N. O. S., in less carloads; mucilage bottles, empty, with caps and brushes, in less carloads; wire cloth and netting, boxed, in less carloads; carpet lining in rolls or compressed in bales, in carload lots; brick dryer cars, including dry kiln trucks, turn tables and transfers for same, in carload lots; creosote oil or tar oil, in bottles or in tin cans or in barrels, in carload lots; cotton piece goods in the piece (28 commodities), in carload lots; enameled cloth and table and shelf oil cloth and covers, boxed, in carload lots; window shade cloth or Hollands, in the piece, uncut and undecorated, in carload lots; bedsteads, iron or brass, folding beds (iron), cribs, iron, institution beds (iron), K. D., in carload lots; matches in paper or wooden boxes, packed in metalic or wooden cases, in carload lots; resin in barrels, in carload lots; pitch and tar, in carload lots; soda ash, soda crystals, caustic soda, hyposulphite and nitrate and sulphate of soda, chloride of lime, in kegs, in carload lots; approximately 10%.

On arsenate of lead, in packages, in less carloads; extract of beef and tomato bouillon, boxed, extract of coffee, in less carloads; extract of root beer, extract of ginger ale and extract of lemonade, in less carloads; sanitarium food, in less carloads; hollow ware, agate, granite and enameled (including nickel, aluminum or britannia trimmed), boxed, in less carloads; insect poisons, in less carloads; sheet iron, No. 12 and lighter (black or galvanized, but exclusive of planished or Russian), not bent or punched, corrugated, N. O. S., including ridge rolls, roofing and siding, straight or mixed carloads, in carload lots; mince meat and pie preparations, in pails or tubs when packed in boxes, crates or barrels, in kits or kegs in less carloads; ochre in packages, in less carloads; paints in carload lots; cyanide of potassium in boxes, in less carloads; spray pumps, spraying machines, hand, made of brass, in less carloads; broken rice and brewers' rice, in packages, in less carloads; toilet water (not including perfumery), in less carloads; refuse burner material, namely, castings for grate bars, stands, draft doors and frames, spelt bottom, plate iron, rolled and pinched, angle bars, rivets, bolts, sprocket wheels, chains, and not to exceed 4,000 pounds of wire

cloth to each burner, in carload lots; rice polish (rice dust), rice bran or rice hulls, in packages, in less carloads; road scrapers, road machines, grading plows, land graders and street rollers, in less carloads; tarred rope and tarred cordage, in carload lots; stove pipes, iron (cut to shape), nested solid, boxed or crated, in carload lots; syrup (corn, glucose, malt, maple and rock candy) and molasses, glucose in barrels, glucose jelly in barrels, kegs, kits or pails, in carload lots; iron tacks, N. O. S., in boxes, kegs or barrels, in carload lots; twine and cordage, namely, cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage, and fish netting (cotton), in bales, boxes or barrels, and rope of all kinds, in carload lots; binding twine for harvesters, varnish in barrels or in cans, boxed, in straight carloads or in mixed carloads, with paints; approximately 5%.

On leather belting, in carload lots; rubber or cotton belting, in carload lots; street cars, with or without motor attachments, loaded on flat cars, in carload lots; extract of hemlock bark, in carload lots; oak bark extract, in carload lots; cream of tartar, boxed, in carload lots; wooden file cabinets (including stands therefor, with or without letter or document files), in less carloads; glassware (except cut), in carload lots; grapes, in packages, in carload lots; iron service cocks, in boxes or barrels, and iron service boxes and stopcock boxes, in less carloads; barn and parlor door hangers, including track for same, in less carloads; iron vises, in boxes or barrels, in less carloads; iron hooks, ice tools, iron corners for trunks, pulleys, registers, wrenches and similar articles, including 80 commodities; chains, sash, cross cut saw handles, logging chains, coffee mills, fruit presses, tree pruners, sadlery hardware, plain or nickel plated, door and window springs, and similar articles covering 43 commodities; hollow ware of cast iron, plain or enameled, including pots, kettles, skillets, spiders, Scotch bowls, in carload lots; anvils or anvils and vise combined, in less carloads; awning rods and holders, in boxes, barrels or crates, in less carloads; carriage and wagon axle boxes, in less carloads; clevises, in boxes or barrels, in less carloads; conductor pipes, eave troughs and eave trough hangers for same, in carload lots; glass lamps and fixtures, plain or decorated (not electric), not costing to exceed $3.00 per dozen, packed in boxes, barrels, in carload lots; gas or electric lamp shades or globes, common pressed or blown glass, in carload lots; lanters (not including magic, paper or toy lanterns), in boxes, barrels or casks, in carload lots; cyanide of potassium, in packages, in carload lots; wood pulp, in packages, in less carloads; rice, broken rice and brewers' rice, in packages, in carload lots; rubber clothing (not including mackintoshes and garments of similar character), and rubber gloves and soft rubber hats, boxed, in carload lots; rubber packing in straight carloads or mixed with rubber packing and rubber belting, in carload lots; rubber corks; saleratus and bicarbonate soda and soda carbonating compound, in carload lots; salt, in carload lots; scales and scale beams, N. O. S. (not including computing scales, gold weighing scales nor assayers'

or apothecaries' scales), all fragile parts boxed or crated, in carload lots; the following ship chandlery: ship building hardware, such as clews, thimbles, eye bolts, bolts, hooks, ring bolts, rowlocks, shackles, and mast hoops, in less carloads; oars, both carloads and less carloads; pulleys and blocks, in less carloads; windlasses (not steam), in less carloads; the following shoe findings, boot and shoe heels (leather or rubber), or wood, covered with leather, soles (leather or rubber), and shoe counters, in less carloads; shoe rivets, in boxes or kegs; in less carloads; wire staples for button fastenings, in boxes or kegs, in less carloads; bob sleds; spiral bed springs, in boxes or casks, in less carloads; wire springs, N. O. S., in boxes or casks, in less carloads; the following stamped ware: agate or enameled, also granite ironware, N. O. S., in boxes, barrels or crates and stamped ware N. O. S. in boxes, barrels or crates, in carload lots; whetstones or scythe stones and sand stones, in less carloads; tin foil, in packages, in less carloads; tinware, in carload lots; sheet iron tubes, one inch in diameter; type, boxed, in less carloads; approximately 9%.

On brass valves, in carload lots; building cement or paving cement, in packages, in carload lots; cement work for building purposes; the following furniture: from machine or bench, unfinished, in the white, not mahogany, rosewood, ebony, black walnut or cherry, also wood seats for chairs, perforated or unperforated, unfinished, in the white; cast iron pipe and cast iron connections for the same, in less carloads; leather in boxes or rolls as follows: bellies, collars, heads, pieces, harness, rough, scrap (in sacks), tufts (in sacks), seal shirting, sole, splits, tanned goat skins (without hair), tanned sheep skins (without wool), walrus; branding and New England rum in bulk, in barrels or drums, carriers' liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; billets, blooms, ingots, muck bar and scrap steel, in carloads; gin in bulk, in barrels or drums, carriers' liability limited to $1.50 per gallon, unless actual value is less, in less carloads; looking glasses, framed or unframed, and looking glasses, boxed, in carload lots; ferules, combination brass and iron, in less carloads; pickles, N. O. S., including kraut, catsup, table sauce, N. O. S., mustard, prepared, olives, pepper sauce, vinegar in bottles (packed) or in wood, horse radish and capers, in less carloads; soapstones, slabs and griddles, boxed, in less carloads; approximately 20%.

On china and majolica ware, not including ornaments, in boxes, barrels or casks, in less carloads; cotton seed oil foots for soap stock, in barrels or sacks; crockery, not including ornaments or plumbers' crockery, and queensware, in boxes, barrels, tierces, crates, or hogsheads, in less carloads; earthenware (including earthenware jardinieres), packed in boxes, barrels, crates, casks or hogsheads, in less than carloads; faucets, pewter, in boxes or barrels, in less carloads; sheet iron punched for rivets, in crates or bundles, strapped or in boxes, in less carloads; wood pulp, in packages, in carload lots; files, including rasps, in boxes or barrels, in less carloads; elevator guides and fish plates and bolts,

in carloads; stoneware in boxes, barrels, crates, casks or hogsheads; approximately 15%; also copper goods, not silver plated, bolts, bottoms, nails, rivets, tacks, blanks and castings, boxed, in less carloads.

On cotton duck and denims, in carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in carload lots; cotton yard, straight carloads, in carload lots; axle grease, not including machine lubricant, including mineral or petroleum axle grease, in packages, in less carloads; hides and sheep pelts, green, in carload lots; fruit juice N. O. S., and blackberry brandy, in wood, carriers' liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; liquors, in bulk, N. O. S., in barrels or drums, carriers' liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; fish netting (cotton), in packages, in carload lots; castor, cocoanut, corn, palm, blubber, rape seed, dead, kalon, lard, linseed, neatsfoot, red, resin or "Y" and tallow and transformer oils, in less car loads; cotton seed oil, subject to refining in transit privileges as published in tariffs of individual lines on file with Interstate Commerce Commission, in less carloads; lucol oil in less carloads; rice oil, in less carloads; rubber boots and shoes, including tennis shoes (canvas tops), boxed, in carload lots; yellow metal and yellow metal nails and spikes, in carload lots; toys, as described, in packages, straight or mixed carloads; wheel barrows, K. D., wheel barrow wheels and barrow carts, K. D., in carloads; window curtain poles, wooden, in carload lots; approximately 11%.

On spool thread, cotton and linen, in cases or in cabinets, in less carloads; mattresses and frames, metalic, wire cots, wooden folding cribs with woven wire bottoms (K. D. or folded flat), wire and spring beds and bottoms, and canvas cots, not upholstered, in packages, in less carloads; approximately 25%.

On feathers and feather pillows, machine compressed in bales, in carload lots; canvas telescope trunks and valises in carload lots; trunks, empty or packed with traveling bags, telescopes and valises; or traveling bags, telescopes and valises, packed in cases, in carload lots; skids, in less carloads; approximately 18%.

On ferrules, combination brass and iron, in boxes or barrels, in carload lots; rubber hose, with or without covering, in cases, crates or bales, in less carload lots; iron and steel angles, channel beams, columns, girders, zees and tees, not over 32 feet long, in less carloads; iron and steel axles and axle boxes and nuts for wagons and carriages; range boilers, including stands for same, in carload lots; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in less carloads; iron and steel box straps in packages, in less carloads; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, kegs or barrels, in less carloads; wood screws, N. O. S., in boxes or kegs, in less carloads; plain shafting, not over 32 feet long; iron and steel horse, mule and ox shoes, including toe calks, in boxes or kegs, in carloads; sucker rods, in packages, in less carloads; telegraph, telephone and electric

line poles, cross arms and cross arm braces for same, in less carloads; telegraph or telephone pole steps, in packages, in less carloads; baling ties, in packages, in less carloads; alcohol, including wood alcohol, high wines and pure spirits, in bulk, in barrels or drums, carriers' liability limited to $2.00 per measurement gallon, unless actual value is less, in less carloads; nails and spikes (not including railroad spikes or ship and boat spikes), cut or wire N. O. S., in less carloads; horse nails, in boxes, in less carloads; cement coated nails, in boxes or kegs, in less carloads; paints, in less carloads; land platser, in packages, in less carloads; powder keg material, metal, boxed, in less carloads; quicksilver flasks, in less carloads; car wheels and axles, in less carloads; rice flour, rice meal, rice flakes or flaked rice and broken rice, in less carloads; rubber tubing, in cases, crates or bales, in less carloads; bar and slab iron up to 6 inches wide, and rod hoop and band iron, in less carloads; sad irons (not including electric, gas, gasolene or charcoal sad irons), and handles for same when packed with sad irons, in boxes, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds, except when in tin cans, boxed), also washing crystals, in less carloads; ship and boat spikes, in less carloads; shoes, heads, rings, tires or dies (for quartz mills), cams and tappets, iron or steel, in less carloads; cast iron stoves, in less carloads; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, in carloads; portable fireplaces and grates for same, N. O. S., and portable steam radiating mantels, in carloads; stove pipe (including iron stove pipe cut in shape, nested), stove pipe elbows, tees and thimbles, in carload lots; tile, marble and slate, boxed or crated, in less carloads; tile, earthen or encaustic, for flooring and facing, plain or figured, glazed or unglazed, also enameled brick, in less carloads; varnish, in barrels or cans, boxed, in straight carloads, or mixed carloads with paint, in less carloads; wall coating and wall finish, N. O. S., in boxes, barrels or casks, in less carloads; barbed wire fence, including staples and steel stay guards, in less carloads; iron wire, plain, galvanized, tinned or coppered (including, if desired, steel stay guards), in less carloads; wire rods, in less carloads; approximately 4%.

On poultry food, namely: ground meat and bone, alfalfa meal, blood meal, clover meal, gluten meal, cut alfalfa, cut clover, grain screenings, millet seed, crushed shells and charcoal, in packages, in less carloads; yellow metal and yellow metal nails and spikes, in less carloads; washing machines, including dish washers, boxed or crated, in less carloads; approximately 14%.

On knobs for furniture, locks and pictures, in packages, and sash fasteners and locks, in packages, in carload lots; butts and hinges (except spring), in boxes, kegs, barrels or casks, in less carloads; rails, including mining rails and sawmill track, and ties, iron and steel, including fastenings; shoddy rubber or reclaimed rubber, in packages, in less carloads; rubber junk, in less carloads; rubber tires (not pneu-

matic), for buggy and carriage wheels, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, barrels or crates, in less carloads; solder, in less carloads; spirits of turpentine, and turpentine substitutes, in barrels or cases, in less carloads; approximately 13%.

On carriage and wagon axles, in less carloads; buff leather, calf finished (including patent leather), finished kip, finished veal, finished wax leather, lace, latigo, chamois, tanned deer, tanned goat (with hair on), tanned shearling skins, and tanned sheep skins (with wool on), in less carloads; salt, in packages, in less carloads; approximately 17%.

On liquors, N. O. S. (including fruit juice, N. O. S., but not including champagne), in glass, packed, in less carloads; meat currie, in pack ages, in less carloads; organs, melodians, pianos, mechanical pianos, mechanical piano players and automatic slot pianos, boxed, pipe organs, also organ and piano benches, chairs and stools, in less carloads; tarred rope and tarred cordage, in less carloads; automobile springs, carriage and wagon springs and wagon bolsters and seat springs, N. O. S., also iron or steel axles, in less carloads; cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila, and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and all kinds of rope, except wire, in less carloads; binding twine for harvesters, in less carloads; approximately 16%.

On condensed milk, in hermetically sealed cans, boxed, or in bottles packed in boxes, in less carloads; rhubarb roots, dried, in packages, in carload lots; rubber tires (not pneumatic) for buggy and carriage wheels, boxed, in less carloads; bakers' ovens (sectional), steel and iron, K. D., and brick for same, in carload lots; gas and gasolene water heaters, instantaneous, with copper or nickel plated jackets, boxed, in less carload lots; air tight heating stoves (sheet iron), with or without cast iron tops and base, in carload lots; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, gas grates (boxed or crated), portable fire places and portable steam radiating mantels, iron lining, grate dampers and andirons (iron), in carload lots; stoves or grates, gas, oil and gasolene, and ovens, boxed or crated, in carload lots; air or steam furnace castings, iron floor or wall ventilators, in carload lots; tacks, iron, N. O. S., in boxes, kegs or barrels, in less carloads; approximately 3%.

On rhubarb roots, dried, in packages, in less carloads; bakers' oven (sectional), steel and iron, K. D., and brick for same, in less carloads; approximately 2%.

On crude rubber, in packages, in less carloads; approximately 40%.

On pulverized silicia or silex, in less carloads; soapstone dust, in packages, in less carloads; approximately 50%.

On soapstone, N. O. S., in less carloads; approximately 29%.

On building terra cotta, boxed or crated; approximately 19%.

On tin can tops, packed solid in boxes, in carload lots; approximately 30%.

On tin can tops, packed solid in boxes, in less carloads; approximately 52%.

On vanilla beans and tonka beans, boxed, carriers' liability limited to $1.00 per pound, unless actual value is less; approximately 21%.

That had said rates as increased been in force and effect during the years 1905, 1906, 1907 and 1908, the earnings from interstate westbound freight would have been materially increased; that had said lumber rates as increased been in force in 1906, 1907 and 1908 the earnings from interstate business would have been materially increased during said years.

That the interstate tonnage and ton miles moved over the lines of said road in this state on substantially all freight other than lumber and shingles very materially increased in the year 1907, over similar tonnage and ton miles moving in 1906, and equally increased in 1908 over similar tonnage and ton miles moving in 1907.

No. 85.

That the cost of moving freight per ton mile decreases as the length of haul increases, due largely to the assembly and terminal charge incurred in the moving of freight. That after a haul passes a division and exceeds 400 miles the cost of movement per ton mile is not materially decreased by a continued length of haul; that the average rate charged per ton mile on state lumber is 1.3459 cents and the average cost of moving a ton mile of state lumber is .6317 cent, while the rate now charged under the increased rate on interstate lumber is .5030 cent per ton mile, and the average cost of moving a ton mile of interstate lumber is ..3328 cent; that considering the rates state and interstate respectively from the standpoint of cost of service, they are disproportionate, the state rate being too high or the interstate rate being too low, and if a reduction in revenue is justified on the lumber traffic the reduction should come in the first instance from the state business.

That of the freight moved over the lines in this state in less than car load, the average rate charged on state business per ton mile is 6.4945 cents, and the average cost of moving a ton mile of such freight is 3.3729 cents, the average rate charged on such freight interstate per ton mile is 2.4496 cents, the average cost of moving a ton mile of such freight is .9998 cent; the average length of haul of state freight is 89 miles and of such interstate freight 851 miles, 243 miles of which was over the lines within the state; that 100 pounds of such state freight pays an average rate of 29 cents for 89 miles, while 100 pounds of interstate freight moved over the same lines within the state an average distance of 243 miles for 26 cents.

That for the fiscal year ending June 30, 1907, said railroad carried over its lines from Tacoma and Seattle to St. Paul large quantities of goods consigned from China and Japan through the port of Tacoma amounting as follows:

	Pounds.
Bamboo poles, etc.	307,207
Beer	407,026

Braid	439,193
Cassia	292,322
Chinese goods	1,169,429
Cinnamon	145,000
Coffee	64,800
Curios	1,530,145
Fire crackers	269,162
Gunnies	200,000
Hemp	5,297,436
Matting	15,058,937
Miscellaneous	1,791,005
Oil	159,059
Plants	191,734
Paper clay	280,000
Pineapples	123,250
Porcelain	403,098
Rice	1,460,573
Silk	222,350
Slab tin	89,685
Smelting products	319,120
Sulphur	436,800
Stone	81,340
Tea	6,697,121
Wine and liquors	1,980,671
	39,416,463

Making a total shipment through the port of Tacoma of such goods of 39,416,463 pounds.

That said railroad received for moving said goods from Tacoma east an average rate of .4846 cent per ton mile; that all of said goods were handled from the dock at the port of Tacoma through longshoremen employed by the railroad at its cost and was moved on limited freight trains, excepting teas and silks, which were largely moved on through passenger trains; that the cost of moving such freight is greatly in excess of the cost of moving the average ton of freight; that tea is moved from Tacoma to St. Paul, moving on passenger trains as aforesaid, at the rate of 57.50 cents per hundred pounds, while the car load rate on tea from Tacoma to Spokane, being loaded by the consignor, is 100 cents per hundred pounds.

That silk is moved from Tacoma to St. Paul, moving almost wholly on passenger trains, at the rate of 70.600 cents per hundred pounds, while the rate of silk and articles taking the same classification in car load lots moving on freight trains from Tacoma to Spokane being loaded by the consignor moves at the rate of 135 cents per hundred pounds.

That during the said fiscal year 1907, said railroad shipped over its lines from St. Paul large quantities of freight destined to China

and Japan, including cotton, cotton bags, agricultural implements, bridge iron, car material, machinery and tobacco, which freight was carried at a rate greatly below the average rate received for freight, cotton being carried at approximately .4308 cents per ton mile, or approximately 22 cents per hundred pounds from Billings to Tacoma, a distance of 1,017 miles, and car material being carried at approximately .2843 cent per ton mile, or 27 cents per hundred pounds from St. Paul to Tacoma.

That on or about the 23d day of October, 1908, said railroad issued its transcontinental westbound tariff superseding the tariff then in force, which new tariff becomes effective January 1, 1909, by which new tariff the rates on freight from eastern shipping points is generally advanced and raised over what said rates were in the tariff in force since the year 1906.

The Commission finds that if the rates now in force and now charged on interstate freight moving over the lines in this state had been in force and charged during the years 1905, 1906, 1907 and 1908, the earnings credited to the lines in the state of Washington on interstate business during said years would have been materially increased.

That since 1905 there has been an advance in said rates as shown by the tariffs issued by the Northern Pacific Railroad on state business; such advance, however, has been on items of small tonnage and the revenue derived from state business has not been materially increased; there has been no advance in state grain, lumber, coal, logs, live stock, hay, fresh fruit and vegetables, brick, sand and stone and the commodities constituting the principal tonnage of the state.

No. 86.

That following the system of accounts adopted by the railroads, the cost of operation hereinbefore set out has not included taxes paid on railroad property within the state; that said road paid taxes on its property in this state as follows:

For the year 1905 ..... $354,506 45
For the year 1906 ..... 634,243 87
For the year 1907 ..... 666,838 27

And the Northern Pacific Railway Company estimates its taxes for the year 1908 to be the sum of $1,012,415.48.

No. 87.

That the earnings and expenses of operation hereinbefore set out as earnings and expenses of said road for the years 1905, 1906 and 1907 did not include their earnings from or expenses incurred in operating the Washington & Columbia River branch or the Port Townsend Southern Railroad, as during said years the Washington & Columbia River and the Port Townsend Southern were operated as separate and distinct corporations; that the earnings and operating expenses herein set out for the year 1908 includes the Washington

& Columbia River branch, but does not include the earnings or expenses from or connected with the Port Townsend Southern Railroad.

No. 88.

That under the rates now charged the probable and estimated gross earnings of the said railroad from state business over its lines in the state of Washington for the fiscal year ending June 30th, 1909, is the sum of $13,291,556.00; that the estimated expenses of earning the same, exclusive of interest on the va'ue of the investment or of interest on the funded indebtedness, and dividends on stock, is the sum of $4,830,671.00.

No. 89.

That the relative volume of freight business, relative rates and relative cost, state and interstate, is shown as follows:

Class Commodity.	Ton Miles Hauled.		Relative Rate.		Relative Cost.	
	State.	Interstate.	State.	Interstate.	State.	Interstate.
Less than car loads	2,366,165	6,689,128	.519	.365	3.3730	1.
Grain	30,105,916	17,654,736	.11	.102	1.0410	1.
Lumber	6,058,488	89,668,949	.114	.095	1.8981	1.
Logs, etc	7,520,105	846,087	.052	.083	1.2718	1.
Coal	10,839,004	3,608,145	.082	.079	1.0672	1.
1st class	28,755	2,450,226	.564	.156	.8500	1.
2nd class	13 882	704.859	.576	.498	1.1156	1.
3rd class	98,165	1.942,559	.363	.273	1.1156	1.
4th class	79.325	1,082,463	.204	.263	1.1156	1.
5th class	599,856	9,387,515	.201	.166	1.1156	1.
"	352.048	5,376,774	.201	.166	1.2865	1.
A class	344,074	2,328,554	.255	.249	1.1156	1.
B class	97,173	394,386	.343	.301	1.1156	1.
C class	665,342	704,860	.167	.164	1.1156	1.
D class	726,743	7,535,942	.190	.122	1.1156	1.
"	1,266,305	7,727,624	.190	.122	1.7031	1.
E class	1,457,620	1,291,660	.125	.105	1.1156	1.
"	4,186,375	1,028,503	.125	.105	1.1638	1.

That there were 82,062,092 passengers carried one mile intrastate, and 139,507,552 passengers carried one mile within the state on interstate haul; the rate per passenger mile allowing for all revenues derived from operation of passenger trains was 3.1992 cents per passenger mile state and 2.0481 cents per passenger mile interstate. The cost per passenger mile, allowing for all operating expenses connected with operation of passenger trains was 1.116% per passenger mile state to 1% per passenger mile, interstate.

No. 90.

That based upon the relative cost of service and the relative value of the service rendered the shipper, the rates charged upon intrastate shipments is greatly in excess of the rates charged upon interstate shipments and if the revenues derived by said company from the business done by it over its lines in this state are in excess of a reasonable return on the value of the property and if for that reason

a decrease in the revenue from the reduction of rates is justified, such decrease should be first made on the intrastate business.

No. 91.

From a consideration of all of the evidence and a consideration of the foregoing findings, the Commission concludes as a further fact that the value of the property of the Northern Pacific Railway Company in the state of Washington, used by it for the accommodation of state business was and is 41% of the total value of the property used for each of the years 1906, 1907 and 1908 as heretofore found and the value of its property within the state used by it for the accommodation and use of interstate business was and is 59% of the total value of the property for each of the years 1906, 1907 and 1908, and that the present value of the property of the said road used by it for state business is the sum of $45,226,464.50, plus its proportion (calculated at 41%) of the money expended for new construction, new equipment and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908, and the present value of its property within the state used for interstate business is the sum of $65,081,-985.50, plus its proportion (calculated at 59%) of the money expended for new construction, new equipment, and betterments properly chargeable to capital account for the fiscal year ending June 30th, 1908.

The reasons for the foregoing division of value are found in the memoranda opinion immediately following the findings pertaining to and affecting the Great Northern Railway Company.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D. 1908.

JOHN C. LAWRENCE,
JESSE S. JONES,
Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

I concur in the foregoing findings except in finding No. 91.

The reasons for my dissenting from this conclusion are found in the dissenting opinion following the Great Northern Findings.

H. A. FAIRCHILD,
Chairman of Commission.

EXHIBIT A. REORGANIZATION AGREEMENT.

OFFICE OF THE
NORTHERN PACIFIC REORGANIZATION COMMITTEE,
MILLS BUILDING, NEW YORK.
March 16th, 1896.

To the Holders of the Bonds and Stocks issued or guaranteed by the Northern Pacific Railroad Company:

The property of the Northern Pacific Railroad Company comprises, in various forms of ownership and control,

A Railway System of 4,706 miles;

A Land Grant of about 43,000,000 acres, and

Sundry Bonds, Stocks and Accounts, representing interests in Terminal, Express, Coal and Navigation Companies.

This property is represented by fifty-four corporations, which have issued $380,000,000 of Bonds and Stocks, of which all are now outstanding, and $271,949,044, including defaulted interest to December 31, 1896, are owned directly by the public.

The present fixed Annual Interest and Sinking Fund Charges amount to	$ 10,905,690.00
The adjusted Net Income from all sources applicable to these Fixed Charges has been:	
For the Fiscal Year ending June 30, 1895.....	6,015,846.62
And during the past five years has averaged....	7,801,645.78

The Plan for Independent Reorganization of the property has been drawn upon the following basis:

First.—The abandonment of Chicago as the Eastern Terminus, and the Limitation of the Railway on the East by the Mississippi River and the Great Lakes.

The Bonds and Stocks of the Chicago & Northern Pacific Railroad Company and the Chicago & Calumet Company, or their successor companies, remaining as Northern Pacific assets, will be disposed of when they can be sold advantageously, and their proceeds applied to the benefit of the property.

Second.—The ultimate Union of Main Line, Branches and Terminal Properties Through Direct Ownership by a Single Company.

So far as practicable the ownership in fee, or otherwise, of the Equipment, Branch Line and Terminal properties (other than the Portland terminal) will be acquired and vested in the new Company and covered by its new mortgages.

Third.—The Reduction of the Fixed Annual Charges to Less than the Minimum Earnings Under Probable Conditions.

The Net Income applicable to Fixed Charges has fluctuated from $10,067,408.37 in the fiscal year 1891-92 to $4,449,999.04 in 1893-94. The average of the past five years has been $7,801,645.78.

The smallest results were brought about by the well-known combination of currency panic, floods, social disorders and short crops, all of which are unlikely to occur again at any one time.

The net income during the last fiscal year, 1894-95, as shown on page 20, was	$ 5,657,483.49
To which should be added allowance for extraordinary expense of the receiverships, of	358,363.13
Thus making the adjusted Net Income of that year	$ 6,015,846.62

The gross earnings of the present fiscal year show an increase of about 16 per cent. over the gross earnings for the same period of the previous year.

The fixed annual charges under the Plan of Reorganization, when fully carried out (exclusive of bonds reserved for new construction), will amount to $6,052,660.

Fourth.—Ample provision for Additional Capital as Required in a Series of Years for the Development of the Property and for the Greater Facilities Necessitated by an Increased Business.

In their report of September last, the receivers state "that provision should be made for extraordinary expenditures in the next five years of $9,000,000, in order to place the property on an equal footing with its rivals for economical operation."

RAILWAY SYSTEM AND ITS MORTGAGE LIENS.

The railroad of the Northern Pacific System is composed of

Main Line	45.73%	2,152.35 miles.
Branches	54.27%	2,554.09 "
	100. %	4,706.44 miles.

The General First, Second and Third Mortgage Bonds are secured by liens in their respective order upon the Land Grant and upon the Main Line railroad, as above.

The Consolidated Mortgage Bonds are secured by a fourth lien upon the Land Grant and upon the Main Line railroad, and also by the pledge of First Mortgage Bonds upon various Branch Lines having an aggregate length of 1,415.85 miles.

None of the four mortgages cover (except by leasehold) any of the terminal properties owned by the St. Paul & Northern Pacific Railroad Company, the Northern Pacific Terminal Company of (Portland) Oregon, or the Northern Pacific & Manitoba Terminal (Winnipeg), all of which are owned by separate organizations.

There are other branch roads comprising 1,138.24 miles, the bonds of which are directly owned by the public.

UNITED STATES LAND GRANT.

The Public Lands granted by the United States to the Northern Pacific Railroad Company under its charter July 2, 1864, amounted to

12,800 acres to the mile of track in the States of Minnesota and Oregon, and 25,600 acres per mile in the intermediate Territories.

It is estimated that under this grant the Company is entitled to receive about 43,000,000 acres, of which 22,823,115 acres have been selected as belonging to the Northern Pacific Railroad Company. Of these, United States patents, vesting the title to the fee of such lands in the Company, have been received for 15,939,189 acres.

The operations of the Land Department, as shown on page 21, during the past five years show that from all sources (exclusive of proceeds of sales applicable to the Preferred Stock, or by Trustees of Prior Mortgages to their interest and sinking funds), the total

Income was	$ 3,076,308.37
while the Expenses and Taxes amounted to	1,304,145.39
leaving for the Sinking Fund of the General First Mortgage only	$ 1,772,162.98
while for the same period the requirements thereunder amounted to	3,272,860.00
This Deficiency in Proceeds from Land Sales, amounting to	$ 1,500,697.02

was supplied from the Net Earnings of the Operating Department of the Railroad Company.

Of late the diminution of sales of lands applicable to this and other mortgages, has thrown upon the transportation earnings of the Company the burden of their Sinking Fund charges.

These charges, with the other Sinking Fund obligations to the public, amounting to $1,463,763 per annum, will be entirely relieved by the full operation of the Plan of Reorganization.

None of the new bonds will be subject to drawing or compulsory redemption prior to their regular maturity, a feature now quite generally recognized by investors as most desirable. At the same time they will, after the retirement of the present General First Mortgage Bonds, receive all the benefits of the land sales through the mortgage provision that one-half the proceeds thereof, not exceeding $500,000 in any one year, shall be used in the purchase, at not exceeding 110 per cent., and the cancellation, of Prior Lien 4 per cent. Bonds, and when these are not obtainable, then in the purchase, at not exceeding 100 per cent., and the cancellation, of General Lien 3 per cent. Bonds, and that the remainder shall be used for betterments and additions to the mortgaged property.

As it now stands, the System in its form of incorporation and capitalization, is a development without method or adequate preparation for growth. Scarcely any single security is complete in itself. The Main Line Mortgages cover neither feeders nor terminals. The Terminal Mortgages may be bereft of their Main Line support. The Branch Line Bonds are dependent upon the Main Line for interchange

of business, and the Main Line owes a large part of its business to the Branch Lines.

The principal object of the Reorganization Committee has been to preserve the integrity of the System. The Plan now presented for the reorganization of the property is founded upon the idea that its unification means its preservation and prosperity, both of which, it is believed, can now be thus permanently accomplished with the best possible security and results for all interests.

The conversion of the General First Mortgage Bonds upon the terms set forth in the Plan is recommended by Messrs. J. P. Morgan & Co., August Belmont & Co. and Winslow, Lanier & Co., who originally issued those bonds, as well as by the German Committee of General First Mortgage Bonholders.

The Plan has been prepared with the approval and cooperation of Messrs. J. P. Morgan & Co. and the Deutsche Bank.

The Plan has received the approval of the representatives of a majority of the Bondholders of the three Main Line mortgages in process of foreclosure (the General Second, General Third and Consolidated Mortgages), and of other important interests affected by the terms of reorganization.

It has also received the approval of the interests represented by the Protective Committee.

Messrs. J. P. Morgan & Co. and the Deutsche Bank have formed the necessary Syndicate of $45,000,000, and Messrs. J. P. Morgan & Co. will act as Reorganization Managers.

EDWARD D. ADAMS, Chairman.
JOHN C. BULLITT,
LOUIS FITZGERALD,
CHARLES H. GODFREY,
J. D. PROBST,
JAMES STILLMAN,
ERNST THALMANN,
Reorganization Committee .

The undersigned Protective Committee hereby join in recommending the prompt acceptance of the accompanying Plan and Agreement.

BRAYTON IVES, Chairman.
AUGUST BELMONT,
GEORGE R. SHELDON,
CHARLEMAGNE TOWER ,JR.,
Protective Committee.
SILAS W. PETTIT,
Counsel.

New York, March 16th, 1896.

PLAN FOR THE REORGANIZATION OF THE NORTHERN PACIFIC SYSTEM.

Conditions of Participation.

Participation under this Plan of Reorganization in any respect whatsoever is dependent on the deposit of securities with one of the Depositaries, Messrs. J. P. MORGAN & CO., 23 Wall Street, New York, Messrs. DREXEL & CO., Fifth and Chestnut Streets, Philadelphia, the DEUTSCHE BANK, Berlin, and its Branches at Frankfort-on-Main, Bremen, Hamburg, Munich and London, within such time as may be fixed by notice, and will embrace only securities so deposited.

No securities will be received on deposit unless in negotiable form, and bonds must carry all unpaid coupons.

Pursuant to the arrangement with a Syndicate, hereinafter stated:

As consideration for shares of the new Company as hereinafter indicated, Depositors of Preferred Stock must also pay $10 per share for new Preferred and Common Stock, and Depositors of Common Stock must pay $15 per share for new Common Stock.

The payments by Depositors of such Common and Preferred Stock must be made at the offices of Messrs. J. P. Morgan & Co., New York, or Messrs. Drexel & Co., Philadelphia, or of the Deutsche Bank, Berlin and London, at the option of each depositing stockholder, in not less than three installments, at least thirty days apart, when and as called for by advertisement in each instance at least twice a week for two weeks in two of the daily papers of general circulation published in the Cities of New York, Philadelphia, London and Berlin, respectively.

All payments must be receipted for by one of the Depositaries on the Certificates of Deposit.

Failure to pay any installment when and as payable will subject the deposited stock and all rights on account of any prior payments to forfeiture, as hereinafter provided.

Holders of Certificates of the Mercantile Trust Company of New York for General Second, General Third and Consolidated Mortgage Bonds, deposited under the existing Bondholders' Agreement of February 19, 1894, will be entitled to the benefits of this Plan without the issue of new receipts or certificates, provided, that if hereafter required by the Managers and within the time limited therefor, such existing certificates be produced to one of the Depositaries and stamped as assenting to this Plan.

All holders of General Second, General Third and Consolidated Mortgage Bonds who have not already deposited their bonds with the Mercantile Trust Company of New York under the existing Bondholders' Agreement shall, by delivery of their bonds to the Depositaries, be deemed to deposit their bonds under said Bondholders' Agreement, and, for the bonds deposited, will receive Certificates of said Trust Company issued under that agreement, duly stamped by one of the Depositaries as assenting to this Plan.

The Depositaries will issue negotiable receipts for all other securities deposited with them.

The holders of receipts heretofore issued by the New York Security and Trust Company of New York for General Second Mortgage Bonds, and by the New York Guaranty and Indemnity Company for General Third Mortgage Bonds, must surrender the same to one of the Depositaries and must obtain suitable new certificates hereunder in exchange therefor, in order to entitle them to any bnefit of this Plan. Bonds represented by such receipts not actually delivered to the Depositaries will not be entitled to participation herein.

New Railroad Company.

At the discretion of the Managers, the various properties will be sold under one or more of the several mortgages in default, or otherwise dealt with, and a successor company will be organized.

Pending their use for reorganization purposes, the securities deposited hereunder will be delivered by the Depositaries to one or More Trust Companies, to be held by them respectively subject to the order and control of the Managers.

All securities deposited under the Plan are to be kept alive so long as deemed necessary for the purpose of reorganization.

New Stocks and Bonds.

The new Company is to authorize the following securities:

First. Prior Lien One Hundred Year 4 per cent. Gold Bonds for $130,000,000.*

These bonds are to be secured by a mortgage upon the Main Line, Branches, Terminals, Land Grant, Equipment, and other property, embraced in the reorganization as carried out, and also upon all other property thereafter acquired by the use of any of the bonds to be issued under both the new mortgages.

The present General First Mortgage covers only the main line, land grant and the equipment so far as owned by the Company.

The proceeds of the land applicable to the new bonds after the retirement of the General First Mortgage Bonds (as provided below) will be applied, one-half, but not in any one year exceeding $500,000, to the purchase of the Prior Lien 4 per cent. Bonds at not exceeding 110 per cent., and their cancellation, and the remainder, under carefully guarded restrictions in the mortgage, will be used for betterments and additions to the property pledged as security for the bonds.

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*Bonds will be issued in the following denominations: Coupon Bonds of $500 and $1,000, with privilege of conversion into Registered Bonds of $1,000 and $10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

Whenever these bonds cannot be purchased at the maximum price, the unapplied land proceeds for that year will be used to purchase the General Lien 3 per cent. Bonds at not exceeding 100 per cent. and their cancellation.

These bonds are to be appropriated approximately as follows:

To retire an equal amount of General First Mortgage Bonds	$ 41,879,000
To provide for the conversion and, so far as necessary, for the Sinking Fund of the General First Mortgage Bonds (any amount not so used to be added to the reserve for new construction, etc.)	14,657,650
For the payment of Receivers' Certificates and Equipment Trust, and the conversion of the Collateral Trust Notes and General Second Mortgage Bonds	40,040,350
Total present issue under the Plan	$ 96,577,000
Reserved to provide at their maturity for an equal amount of Bonds of the St. Paul & Northern Pacific Railroad Company	8,423,000
Estimated amount to be reserved for new construction, betterments, equipment, etc., under carefullly guarded restrictions in the mortgage, and to the extent of not exceeding $1,500,000 per annum	25,000,000
Total authorized issue	$ 130,000,000

Second. General Lien 150 Year 3 per cent. Gold Bonds*, limited in amount to $60,000,000, in addition to a reserve for the 100 year 4 per cent. Prior Lien Mortgage of $130,000,000.

These bonds are to be secured by a mortgage second in lien to the Prior Lien Mortgage, and covering the same property.

They are to be appropriated approximately as follows:

For the conversion of the General Third Mortgage Bonds, Dividend Certificates, and the Consolidated Mortgage and Branch Line Bonds under the Plan	$ 56,000,000
Estimated amount to be reserved under carefully guarded restrictions in the mortgage, for new construction, betterments, equipment, etc	4,000,000
Total issue in excess of Prior Lien Bonds	60,000,000
Reserve to provide for the Prior Lien Bonds at their maturity in 100 years	130,000,000
Maximum amount of both Mortgages	$ 190,000,000

*Bonds will be issued in the following denominations: Coupon Bonds of $500 and $1,000, with privilege of conversion into Registered Bonds of $1,000 and $10,000.

All interest will be payable quarterly, and both principal and interest will be payable in United States gold coin of the present standard of weight and fineness, without deduction for any taxes which the Railroad Company may be required to pay or retain therefrom.

Third. Preferred Stock, 4 per cent. Non-cumulative, limited in amount, under this Plan, to not exceeding $75,000,000, which amount can be increased only with the consent of the Preferred and Common Stockholders, as hereinafter set forth. All the Preferred Stock will be in shares of $100 each, and will be registered and transferable, at the option of the holder, either in New York or at the Deutsche Bank, Berlin. Dividends upon stock registered in Berlin may be collected there at the rate of 4.20 marks per dollar.

Each share of this Preferred Stock will be entitled to non-cumulative dividends ot the extent of four per cent. per annum, payable quarterly out of surplus net earnings in each fiscal year before any dividends for such year shall be paid on the Common Stock, and without deduction for any United States, State or municipal taxes that the Railroad Company may at any time be required to pay or retain therefrom.

In any fiscal year in which four per cent. dividends shall have been declared on both preferred and common stock, all shares, whether preferred or common, shall participate equally in any further dividends for such year.

Provision will be made that after the termination of the Voting Trust hereinafter provided for, the Preferred Stock is to have the right to elect a majority of the Board of Directors of the new Company whenever for two successive quarterly periods the full and regular quarterly dividends upon the Preferred Stock, at the rate of four per cent. per annum are not paid in cash.

The right will be reserved by the new Company to retire this stock, in whole or in part, at par, from time to time, upon any first day of January during the next twenty years.

The Preferred Stock will be appropriated approximately as follows:

For conversion and adjustment of various Main Line and Branch Line Mortgage Bonds and the defaulted interest thereon, and other purposes, as provided in the Plan	$ 72,500,000
Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company	2,500,000
	$ 75,000,000

Fourth. Common Stock to the amount of not exceeding $80,000,000, in shares of $100 each.

This stock will be appropriated approximately as follows:

For purposes of reorganization, as provided in the Plan	$ 77,500,000
Estimated amount which may be used for reorganization purposes or may be available as a Treasury asset of the new Company	2,500,000
	$ 80,000,000

Voting Trust.

In furtherance of this independent reorganization and the administration of the property and of the securities, both classes of stock of the new Company (except such number of shares as may be disposed of to qualify directors) are to be vested in the following five Voting Trustees: J. Pierpont Morgan, Georg Siemens, August Belmont, Johnston Livingston and Charles Lanier.

In the event of the death of any person designated as a Voting Trustee, prior to the creation of the Voting Trust, the vacancy shall be filled as provided in the Reorganization Agreement hereunto annexed, and which is comprised in and forms a part of this Plan, with the same force and effect as though herein set forth at length. The stock shall be held by the Voting Trustees and their successors, jointly (under a trust agreement prescribing the powers and duties to be exercised by them, or by a majority of them, and the method of filling vacancies) for five years, although the Voting Trustees, in their discretion, may deliver the stock at any earlier date. Until delivery of stock is made by the Voting Trustees, they shall issue Stock Trust Certificates entitling the registered holders to receive, at the time therein provided, stock certificates for the number of shares therein stated, and in the meanwhile to receive payments equal to the dividends collected by the Voting Trustees upon a like number of shares, which shares, however, with the voting power thereon, shall be vested in the Voting Trustees until the stock shall become deliverable, as provided in such Trust Agreement and certificates of the Voting Trustees.

Restrictions as to Additional Mortgage Debt and Preferred Stock.

Provision is to be made that no additional mortgage shall be put upon the property to be acquired hereunder, nor the amount of the Preferred Stock authorized under this plan be increased, except, in each instance, after obtaining the consent of the holders of a majority of the whole amount of the Preferred Stock, given at a meeting of the Stockholders called for that purpose, and the consent of the holders of a majority of such part of the Common Stock as shall be represented at such meeting, the holders of each class of stock voting separately. During the existence of the Voting Trust, the consent of the holders of like amounts of the respective classes of beneficial certificates shall also be necessary for the purposes indicated.

Estimate of Total New Capitalization*, Under the Plan When Fully Carried Out.

(Exclusive of bonds and stock reserved for new construction, etc.)

SECURITIES.	Amount.	Annual Interest and Dividend.
Prior Lien Bonds†	$105,000,000	$4,372,660
General Lien Bonds	56,000,000	1,680,000
Total Bonds	$161,000,000	6,052,660
Preferred Stock $72,500,000		2,900,000
Common Stock 77,500,000		
Total Stock	150,000,000	
Total Capitalization	$311,000,000	
Total Annual Charges prior to the Common Stock		$8,952,660

†Including $8,423,000 St. Paul and Northern Pacific Bonds.

Estimate of Amount and Charges Per Mile.*

SECURITIES.	Amount per mile.	Interest and Dividend per mile.
Prior Lien Bonds	$22,310	$929
General Lien Bonds	11,899	357
Total Bonds, per mile	$34,209	$1,286
Preferred Stock $15,404		616
Common Stock 16,467		
Total Stock, per mile	31,871	
Total Capital. per mile	$66,080	
Annual Charges per mile prior to Common Stock		$1,902

* These calculations are based upon 4,706.44 miles, and are consequently subject to variation according to the actual mileage finally embraced in the reorganization.

Application of Securities.

The following details show the disposition to be made under the Plan of the securities of the new Company.

As a consideration for the property and securities to be conveyed or delivered to the new company, of which, pursuant to the Plan, the new Company shall acquire, it is contemplated that the new Company shall deliver the new bonds and stock, excepting the new bonds to be reserved to take up such of the existing securities as are not disturbed, and such final amounts as shall be reserved for the future use of the new Company.

The requisite deliveries of the new securities to depositors and subscribers under the Plan will thus be provided for.

General First Mortgage Bonds.

Privilege of Conversion.

The present General First Mortgage Bonds mature in 1921, but are redeemable by compulsory drawings at any time at 110 per cent. from the proceeds of land sales or the fixed annual contribution by the Company to the Sinking Fund.

These compulsory redemptions in the past have been a disturbing factor in all calculations for investment purposes, and the inauguration of a new and vigorous policy for the sale of the lands may be expected from this time forward greatly to increase the amount of such redemptions.

In some years these redemptions have required large contributions from the Operating Department, to the extent even of the entire amount of the Sinking Fund, a sum which would provide for the annual interest on about $19,000,000 of Prior Lien Bonds as now proposed. It is manifestly to the benefit of the holders of General First Mortgage Bonds to secure an investment of longer continuance and it is also to the benefit of all subsequent securities to diminish this unnecessarily large burden of annual fixed charge.

To relieve the bondholders from these calls for redemption, which prevent their bonds from reaching the high price they would otherwise command, and to relieve the Company from the burden of the Sinking Fund requirements, and permit the use of a portion of the proceeds of land sales for the benefit of the property.

Holders of the General First Mortgage Bonds are now offered the privilege of converting or exchanging their bonds for the new Prior Lien 100-year 4 per cent. Gold Bonds, at the rate of **$1,000** old bonds (coupon or registered) for **$1,350** of new bonds.

To avail of this offer, holders must deposit their bonds as provided on page 7 hereof.

Bonds deposited for conversion under this privilege will be entitled to receive on April 1st next, a cash payment of $30 per $1,000 bond so deposited in lieu of the six months' interest that would mature July 1 next on such bond. The first coupon on the Prior Lien Bonds offered in exchange for General First Mortgage Bonds will be payable October 1 next, and in case of any delay in the reorganization, payments equal to the amount of such new coupons will be made on that date and quarterly thereafter until the new bonds are delivered. These payments will, in the absence of other provision, be made by the Syndicate, which will reimburse itself out of the present General First Mortgage coupons as collected.

The right is expressly reserved to modify these terms or to terminate the privilege at any time, and without notice.

The old bonds now outstanding are at the rate of about $20,466 per mile. The Prior Lien Bonds, including those reserved for the St. Paul and Northern Pacific Bonds (but not including those to be reserved for new construction, etc.), will, on the basis of 4,706 miles,

amount to about $22,310 per mile, and will cover all the Equipment and the Branches and Terminals as proposed under the Plan.

It is not sought in any way to enforce a conversion of the present General First Mortgage Bonds, and this offer is made solely upon the belief that on the terms proposed such conversion, while advantageous to the Company, is also manifestly to the advantage of bondholders so converting.

The fixed charges for interest and sinking funds on the present General First and Divisional Mortgage Bonds are at the rate of $1,618 per mile per annum, while it is estimated that they will amount to only $929 per mile per annum on the Prior Lien Bonds.

The advantage is obvious of a mortgage resting upon a complete and entire system, including Main Line and all branches brought into the new Company, together with Terminals, Land Grant and Equipment, and having over $200,000,000 of bond and share capital behind it, securing a gold bond running for one hundred years, as compared with a bond at all times liable to compulsory retirement, and secured by only part of the system.

Northwest Equipment Company.

The shares deposited under the Plan to be purchased at par flat as of June 1, 1896, payable, with interest from that date at 6 per cent. per annum, at any time, in the discretion of the Managers, on or before completion of reorganization.

Collateral Trust Notes.

Those deposited under the Plan to receive—

3 per cent. in cash May 1, 1896, and 4 per cent. in cash January 1, 1897.

100 per cent. in Prior Lien 4 per cent. Bonds.

20 per cent. in Preferred Stock Trust Certificates.

General Second Mortgage Bonds.

Those deposited under the Plan to receive—

4 per cent. in cash within sixty days after the Plan has been declared operative.

118½ per cent. in Prior Lien 4 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

General Third Mortgage Bonds.

Those deposited under the Plan to receive—

3 per cent. in cash within sixty days after the Plan has been declared operative.

118½ per cent. in General Lien 3 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

Dividend Certificates.

Those deposited under the Plan to receive—

3 per cent. in cash within sixty days after the Plan has been declared operative.

118 per cent. in General Lien 3 per cent. Bonds.

50 per cent. in Preferred Stock Trust Certificates.

Consolidated Mortgage Bonds.

Those deposited under the Plan to receive—

1½ per cent. in cash within sixty days after the Plan has been declared operative.

66½ per cent. in General Lien 3 per cent. Bonds.

62½ per cent. in Preferred Stock Trust Certificates.

Except as collected out of the coupons, the Managers will have a lien upon deposited securities for cash advanced as above provided, after the Plan shall have been declared operative.

Interest on all new Bonds to be deposited in exchange for old securities will, unless otherwise stated, accrue from January 1, 1897, and will be payable on or before completion of reorganization.

Equitable cash settlements will be made for fractional amounts of new bonds and stocks accruing to depositors.

Branch Road Bonds.

Holders of the bonds issued by the following companies are requested to communicate with Messrs. J. P. Morgan & Co., New York, or with the Deutsche Bank, Berlin, giving the amount of their holdings, and stating whether held in Bonds or Certificates of Deposit:

Central Washington Railroad Company.

Coeur d'Alene Railway & Navigation Company.

Duluth & Manitoba Railroad Company (Minnesota Division).

Duluth & Manitoba Railroad Company (Dakota Division).

Helena & Red Mountain Railroad Company.

James River Valley Railroad Company.

Northern Pacific & Montana Railroad Company.

Northern Pacific & Manitoba Railway Company Terminal Bonds.

Seattle, Lake Shore & Eastern Railroad Company.

Spokane & Palouse Railway Company.

None of these Branch Roads (Seattle, Lake Shore & Eastern alone excepted) owns any considerable amount of equipment; all require more or less expenditure for the restoration of their track, roadbed, stations, etc., to proper condition; all are deficient in their rights-of-way; some have general traffic all the year, while others are dependent mainly upon the special business of a few months annually; and some earn varying rates of interest upon their cost.

In order to deal equitably with the holders of these Branch Bonds, it is deemed necessary to consider each case separately, and upon its own individual merits.

After hearing from a large proportion of each class of these bondholders, steps will be taken to arrive at some fair basis of adjustment, for which General Lien 3 per cent. Bonds and new Preferred Stock Trust Certificates have been reserved under this Plan.

Prferred Stock.

Upon completion of the reorganization, the Reorganization Managers in behalf of the Syndicate will deliver to each Depositor of one share ($100) of Preferred Stock—

$50 in new Preferred Stock Trust Certificates, and
50 in new Common Stock Trust Certificates,

in consideration of his payment therefor of $10 per share, as provided on page 7 of this Plan.

Common Stock.

Upon completion of the reorganization, the Reorganization Managers, in behalf of the Syndicate, will deliver to the Depositor of each share ($100) of old Common Stock one share ($100) of new Common Stock Trust Certificate, in consideration of his payment therefor of $15 per share, as provided on page 7 of this Plan.

In addition to the payment of all defaulted interest to January 1, 1897, in cash and New Mortgage Bonds, the holders of the three Main Line Mortgage Bonds in default will receive a considerable increase of principal with the following annual income:

Old Securities.	Fixed Interest.				Income contingent upon Dividends on new 4 per cent. Preferred Stock.		Total Income	
	Prior Lien 4 per cent. Bonds.		General Lien 3 per cent. Bonds.					
	Amt.	*Per cent.*	*Amt.*	*Per cent.*	*Amt.*	*Per cent.*	*Amt. new securities.*	*Per cent. on old securities.*
$100 Seconds receive *.....	$100	4.00	.....	.....	$50 00	2.00	$150 00	6.00
$100 Thirds receive *.....	.....	.....	$00	3.00	50 00	2.00	150 00	5.00
$100 Consols receive *.....	.....	.....	50	1.50	62 50	2.50	112 50	4.00

* In addition to amounts allowed for coupons.

The position of the holders of the Common Stock of the new Company in relation to fixed annual charges for interest and sinking funds under the Plan, as compared with the position of the holders of the Common stock of the present Company, is as follows:

Fixed Charges and Preferred Dividends.	Old Company.	New Company.	Reductions.	
			Amount.	Per cent.
Fixed annual charges prior to dividends upon the Preferred Stocks....	$10,905,690	$6,052,660	$4,853,030	44.50
Required for annual dividends upon the Preferred Stocks.....	2,819,064	2,900,000	80,936 *	2.87 *
Total fixed charges and dividends upon the Preferred Stocks, prior to dividends upon the Common Stocks.....	$13,724,754	$8,952,660	$4,772,094	34.77

* Increase.

The compensation to be paid to Messrs. J. P. Morgan & Co. and the Deutsche Bank for their respective services as Managers and as Depositaries of securities has been fixed at one-quarter (¼%) of one per cent. upon the par value of the securities deposited under the Plan and of the new securities issued in exchange therefor, but not, in any event, to exceed $1,000,000 in all for such compensation to both parties.

Syndicate.

A syndicate has been formed by Messrs. J. P. Morgan & Co., of New York, and the Deutsche Bank, of Berlin, to the subscribed amount of $45,000,000, to provide the amounts of cash estimated as necessary (1) to carry out the terms of the Plan of Reorganization, and (2) to furnish the new Company with Cash working capital and with a sum estimated at $5,000,000 for early use in betterment and enlargement of its property.

New York, March 16, 1896.

REORGANIZATION AGREEMENT,

March 16th, 1896.

An agreement, made this 16th day of March, 1896, between

Edward D. Adams, John C. Bullitt, Louis Fitzgerald, Charles H. Godfrey, John D. Probst, James Stillman, Ernst Thalmann (hereinafter called the Reorganization Committee), parties of the first part;

The Mercantile Trust Company, party of the second part;

J. P. Morgan & Co. (a copartnership), parties of the third part (hereinafter called the Managers);

Holders of Mortgage Bonds of the Northern Pacific Railroad Company (hereinafter called the Railroad Company), Holders of Certificates of the Mercantile Trust Company for General Second, General Third and Consolidated Mortgage Bonds, Holders of Collateral Trust Notes and Dividend Certificates of the Railroad Company, and the Mortgage Bonds of Various Branch Railroads hitherto known as Parts of the Northern Pacific Railroad System, and Holders of the Preferred and Common Stock of the Northern Pacific Railroad Company, who

shall become parties to this agreement, of the fourth part (hereinafter called Depositors);

The Deutsche Bank, of Berlin, in evidence of its active support of the reorganization and of its acceptance of appointment as Depositary thereunder, party of the fifth part, and

August Belmont, Brayton Ives, George R. Sheldon and Charlemagne Tower, Jr., a Committee in behalf of various interests in the Northern Pacific Railroad Company (hereinafter called the Protective Committee), in evidence of their active support of the reorganization thereof according to the Plan provided herein, as parties of the sixth part;

Whereas, by an agreement dated February 19, 1894, known as the Bondholders' Agreement, the parties of the first part were, by certain holders of the General Second, General Third and Consolidated Mortgage Bonds of the Railroad Company, appointed a Committee for the reorganization of said Company; and

Whereas, the Plan referred to in this agreement has been proposed by the Reorganization Committee for the reorganization of the Railroad Company;

Now, Therefore, it is mutually agreed by and between the respective parties hereto as follows:

First. A printed copy of this agreement, signed by a majority of the members of the Reorganization Committee and of the Protective Committee; and by the parties of the second and third parts hereto, and by or for the party of the fifth part, shall be lodged with J. P. Morgan & Co., New York, and a duplicate, signed in like manner, shall be lodged with the Deutsche Bank, of Berlin. Each of said copies shall be taken as a complete and original instrument, but both shall constitute but one agreement. The foregoing Plan is, and shall be, taken to be a part of this agreement, with the same effect as though each and every provision thereof had been embodied herein, and said Plan and this agreement shall be read as parts of one and the same paper; but no estimate, statement, explanation or suggestion contained in the said Plan or this agreement, or in any circular issued, or which may hereafter be issued, by the Depositaries or by the Committee or by the Managers, is intended, or is to be accepted, as a representation or warranty, or as a condition of deposit or assent under the Plan and this agreement, and no defect or error shall release any deposit under this Plan and agreement, or affect or release any assent thereto, except by written consent of the Managers.

Holders of the Bonds, Collateral Trust Notes, Dividend Certificates, and of the Preferred and Common Stock of the Railroad Company, and of the stock of the Northwest Equipment Company and of the mortgage bonds of various Branch Railroads hitherto known as parts of the Northern Pacific Railroad system, or of any of them, may become parties to this Plan and agreement by depositing their securities with the Depositaries upon the terms and conditions specified in the Plan and this agreement, or hereafter defined, and within the periods which shall be fixed or limited by the Managers.

Such holders must in all cases deposit the certificates for their stock, or their bonds, or other securities, with such transfers, assignments and powers of attorney as may be required by the Managers in order to vest in them, and to enable them to transfer, the complete and absolute title to such stocks or bonds or other securities, and the Depositors agree respectively at any time, on demand of the Man-

agers, to execute any and all other transfers, assignments or writings required for vesting the complete ownership of the bonds and stock deposited hereunder in the Managers, or their nominees.

All Depositors of securities (excepting Assenting Certificate holders as hereinafter designated) shall receive certificates of deposit in form to be prescribed by the Managers, specifying the respective bonds or stocks deposited, and the holders of such certificates of deposit shall be entitled (subject to any provisions contained in such certificates) to the rights and benefits, and only to the rights and benefits, specified in the Plan and this agreement, as accruing to the holders of the bonds or stocks of the class represented by such certificates respectively, or granted by the Managers, pursuant to the powers conferred upon them; and thereafter the holder of any such certificate, or of any certificate issued in lieu thereof or in exchange therefor, shall be subject to the Plan and this agreement and entitled to have and exercise the rights of the original Depositor under the certificate issued to him in respect of the securities therein mentioned.

The Plan and this agreement prepared and adopted by the Reorganization Committee in exercise of the power, and in performance of the duty imposed upon said Reorganization Committee under the said Bondholders' Agreement of February 19, 1894, is in the form and contains the terms, powers and conditions which to the Committee seem equitable and fair; and in accordance with the provisions of said Bondholders' Agreement, are now lodged at New York with the Farmers' Loan and Trust Company and the Mercantile Trust Company; at Berlin, with the Deutsche Bank; and at London with the branch of the Deutsche Bank, which has been appointed by said Reorganization Committee as agent therefor, and also with said Reorganization Committee at its office, No. 15 Broad Street, in the City of New York, at each of which places copies are left for distribution to bondholders; and a brief publication of the fact of the adoption and filing of such Plan of Reorganization will be made for at least two weeks in one or more daily newspapers published in the Cities of New York, London and Berlin, and in the absence of express dissent in writing, filed within twenty days after the expiration of such publication (in compliance with the provisions of the Second Article of the said Bondholders' Agreement), the assent to and ratification of the Plan and this agreement shall be conclusively and finally assumed, conferred and given by each and every certificate holder not so expressely dissenting herefrom. But, nevertheless, the Managers, at their option, at any time, may by notice published in the manner hereinafter provided in Article Twelfth hereof, exclude from the operation of the Plan and this agreement, and from any and all interest thereunder, any and all bonds represented by any such certificate issued under such Bondholders' Agreement, unless within the time and in the manner required in such public notice such certificate shall have been submitted to one of the Depositaries hereunder for stamping, and by one of such Depositaries shall have been stamped as expressely assenting to the Plan and this agreement.

Holders of General Second, General Third and Consolidated Mortgage bonds not already deposited under the Bondholders' Agreement of February 19, 1894, shall, by the delivery of their bonds to the Depositaries, be deemed to have deposited their bonds under said Bondholders' Agreement, and for the bonds deposited will receive certificates of the Mercantile Trust Company of New York, issued under that agreement, which may be stamped by one of the Depositaries as assenting to the Plan and this agreement.

All bonds represented by any such certificate, the holder of which shall have acquiesced as above provided, unless stamping of such

certificates shall be required by the Managers, as above provided, and all bonds represented by any certificate stamped as aforesaid, shall be subject to ,and included within, the provisions of this Plan and agreement as fully and irrevocably as though directly deposited hereunder, and the Managers shall irrevocably possess and from time to time may exercise all rights of the holders of bonds represented by such certificates, subject to the terms thereof, including the right to abandon or terminate the said former agreement and all further proceedings thereunder.

All such certificates so acquiescing or so stamped are herein designated "Assenting Certificates," and the holders thereof are designated "Assenting Certificate Holders."

Such Certificates of Deposit and such Assenting Certificates and the interests represented thereby shall be transferable only subject to the terms and conditions of the Plan and this agreement, and in such manner as the Managers shall approve; and upon such transfer, all rights of the Deposit or in respect of the deposited bonds or stock represented by such certificates, together with all installments paid by the Depositors of such stock, or their transferees, and all rights under the Certificates of Deposit or Assenting Certificates transferred, shall pass to the transferee, and the transferees and holders of such Certificates of Deposit or of such Assenting Certificate shall for all purposes be substituted in place of the prior holders, subject to this agreement. All such transferees, as well as the original holders of Certificates of Deposit or of Assenting Certificates, shall be embraced under the term "Depositors," whenever used herein. Each Certificate of Deposit or Assenting Certificate may be treated by the Reorganization Committee, by the Managers and by the Depositaries as a negotiable instrument, and the holder for the time being may be deemed to be the absolute owner thereof, and of all rights of the original Depositor of the bond or stock in respect of which the same was issued, and neither the Depositaries nor the Reorganization Committee nor the Managers shall be affected by any notice to the contrary. By accepting any such Certificate, or by presenting any Mercantile Trust Company Certificate to be stamped hereunder, every recipient or holder thereof shall thereby become party to the Plan and this Agreement with the same force and effect as though an actual subscriber hereto. The term Depositor, as well as the term Assenting Certificate Holder, whenever used herein, is intended, and shall be construed, to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiudiciary capacity, and those represented by or claiming under them, and partnerships, associations, joint-stock companies and corporations. No rights hereunder shall accrue in respect to any securities hereinbefore mentioned unless, nor until, the same shall have been subjected to the control of the Managers and to the operation of the Plan and this Agreement as herein provided.

The Depositaries shall receive the deposited stocks and bonds, and shall deliver the same to one or more Trust Companies in the City of New York, and the same shall be held by them respectively subject to the order and control of the Managers.

The Managers may, in their discretion, fix or limit the period or periods within which holders of bonds or stock, or other securities, or any class thereof, may deposit their securities, and wihtin which they or holders of Mercantile Trust Company Certificates may become parties to the Plan and this agreement, and the periods within which the installments of cash payable by depositing holders of Preferred and Common stock must be paid, and, in their discretion, either generally or in special instances, may extend or renew the period or

periods so fixed or limited, on such terms and conditions as they may see fit.

Holders of securities not deposited, or of the Mercantile Trust Company Certificates not becoming parties hereto, in the manner herein provided, by stamping, if so required, within the periods respectively fixed or limited therefor, will not be entitled to deposit the same or to become parties to this agreement, or to share in the benefits thereof, and schall acquire no rights thereunder, except upon obtaining the express consent of the Managers, who may withhold or give such consent, in their absolute discretion, and such terms and conditions as they may see fit.

The several installments of cash, payable by depositing stockholders as provided in the plan and this agreement, must be paid to the respective Depositaries, and must be receipted for by such Depositaries on the respective Certificates of Deposit issued for such stock. The depositing stockholders agree that all such installments of cash may be used, at any time, by the Managers, for any of the purposes of the Plan and this agreement. Depositors of stock and holders of certificates of deposit for deposited stock respectively agree that prompt payment of the several installment of cash payable by them respectively on the terms of the Plan and this agreement is an essential condition to their acquisition of new stock by purchase under the Plan and this agreement, and that any depositor or holder of a certificate of deposit for stock who shall fail to make prompt payment of any installment of cash payable as provided in the Plan within the periods fixed or limited by the Managers for such payment shall forthwith and without further or other notice or action cease to have any rights, or to be entitled to any benefits hereunder, and in every such case the deposited stock and any cash paid as above provided prior ot the date of such default shall vest in and belong to the Managers, and may be used for any of the requirements of carrying out the Plan and this agreement, and that no such defaulting Depositor or Certificate Holder shall be entitled to the return or repayment thereof or to have any further interest or rights in respect thereof. The Managers, however, in their discretion, may waive any such default and accept payment of overdue installments due from any Depositor at any time before final settlement of accounts with the syndicate.

The Managers may, in their discretion, for the purpose or carrying out the Plan and this agreement, call in for deposit any of the undisturbed Main Line bonds mentioned in the Plan, and may cause any mortgage securing the same to be foreclosed, and may cause other similar bonds having similar security, or the Prior Lien bonds reserved therefor under the Plan, to be issued in exchange for such bonds.

Second. The Depositors and Assenting Certificate Holders hereby irrevocably request the Managers to endeavor to carry into practical operation the Plan and this agreement, in its entirety or in part, to such extent and in such manner and with such additions, exceptions and modifications as the Managers shall deem to be for the best interests of the Depositors and Assenting Certificate holders or of the properties finally embraced in the Reorganization. Each and every Depositor and Assenting Certificate holder, for himself and not for any other, does hereby sell, assign, transfer and set over to the Managers as copartners, and to the survivor and survivors of them and to their successors, each and every bond, share of stock, security or obligation or evidence thereof deposited hereunder, or represented by an Assenting Certificate, and every Depositor and Assenting Certificate holder hereby agrees that the Managers shall be and they are hereby vested with all the rights and powers of the owners of the stock, bonds, securities and obligations deposited hereunder, or represented

by such Assenting Certificates, including the right to transfer the same into their own name, as a copartnership and as managers, or into the name of any other person or persons whom they may select; and (without limiting the foregoing provision) it is hereby declared that the Managers shall be fully authorized to vote thereon at any meeting of stockholders or bondholders or creditors; to use every such stock, bond, receipt, security or obligation as fully and to the same extent as the owner or holder thereof; to declare due the principal of any bond or other obligation deposited hereunder, and to revoke any such declaration whenever made; to call or attend, and either in person or by proxy, to vote at any and all meetings of stockholders or bondholders or creditors of any corporation however convened; to terminate or to seek to dissolve or modify any, trust, contract or lease, in whole or in part; to apply for the determination of the validity thereof, or for the removal of any trustees or the substitution of other trustees, or to take any other steps in respect of any trust, contract or lease or under any provision thereof; to purchase at any time or times, at such prices as they shall deem proper, or to pay, compromise or settle with the holders of any coupons, notes or other indebtedness or obligations of any of the Railroad Companies, or any Receiver's certificates or obligations issued or which may be issued or incurred by the Receivers thereof, and to apply for that purpose any moneys received from the sale of trust certificates for stock in the new Company or which may otherwise be received or raised by the Reorganization Committee or by them; to borrow money for any of the purposes of this agreement, and to charge or pledge any deposited securities, property purchased, or new securities to be issued, for the payment of any moneys borrowed; to give all bonds of indemnity or other bonds, and to charge therewith the securities deposited hereunder or any part thereof; to institute or become parties to any legal proceeding; to apply for receivers, or for the removal of receivers and the substitution of other receivers, or for the termination of any receivership and the delivery of any property to its owners; to settle any litigation now or at any time existing or threatened in whole or in part, with plenary power to enter into arrangements for decrees, or for facilitating or hastening the course of litigation, or in any way to promote the consummation of the Plan; to do whatever, in the judgment of the Managers, may be necessary to promote or to procure the sale as an entirety or the joint or separate sales of any lands, grants of lands, property or franchise herein concerned, wherever situated; to adjourn any sale of any property or franchise, or of any portion or lot thereof at discretion; to bid, or to refrain from bidding at any sale, either public or private, either in separate lots or as a whole, for any property or franchises or any part thereof whether or not owned, controlled or covered by any deposited security, or by the bonds represented by any Assenting Certificate, including or excluding any particular rolling stock, or other property, real or personal, and at, before or after any sale, to arrange and agree for the resale of any portion of the property which they may decide to sell rather than to retain; to hold any property or franchises purchased by them either in their name or in the name of persons or corporations by them chosen for the purposes of this agreement, and to apply any security embraced hereunder in satisfaction of any bid or towards obtaining funds for the satisfaction thereof; and the term property and franchise shall include any and all railroads, railroad and other transuortation lines, branches, leaseholds, lands, rights in lands, mining rights, stocks, or other interests in corporations in which the Railroad Company has and interest of any kind whatever, direct or indirect. The amount to be bid or paid by the Managers for any property or franchises shall be absolutely discre-

tionary with them; and, in case of the sale to others of any property or franchises, the Managers may receive out of the proceeds of such sale or otherwise any dividend in any form accruing on any securities held by them.

Third. The Managers may procure the organization of one or more new companies, or they may adopt or use any existing or future companies, and they may be caused to be made such consolidations, leases, sales or other arrangements, and may make or cause to be made such conveyances or transfers of any properties or securities acquired by them, and may take such other proceedings as they may deem proper for the purpose of creating the new securities provided for in this Plan and agreement and for carrying out all or any of the provisions thereof. Said Managers shall further be authorized to receive and dispose of, in accordance with any of the provisions of this Plan and agreement, the new securities to be created, and said Managers may vote upon all the stock of such new corporation for all purposes in their judgment necessary to carry out the Plan until the same shall be transferred to the Voting Trustees or to the Depositors and Assenting Security holders, who shall be entitled to receive the same.

Fourth. Tht Managers may construe the Plan and this agreement; and their construction thereof or action thereunder, in good faith, shall be final and conclusive. They may supply any defect or ommission, or reconcile any inconsistency in such manner and to such extent as shall be necessary to carry out the same properly and effectively, and they shall be the sole judge of such necessity. They shall be the sole and final judge as to when and whether the assent of enough parties interested in the Railroad Company shall have been obtained to warrant them in carrying the same or any part into effect, and they shall have power, whenever they shall deem proper, to abandon or to alter, modify or depart from, the Plan of Reorganization or any part thereof. They may at any time or times, after any such partial abandonment, restore to the Plan any abandoned part or parts thereof, and may seek to carry the same into effect, as fully as if such part or parts had not been abandoned. They may also attempt to carry the Plan into effect rather than abandon or modify the same, even though it be manifest that, as carried out, the Plan must depart from the original Plan or from some part thereof. But in case of any intentional change or modification or departure from the Plan, which, in their judgment, shall materially affect any of the several classes of Depositors, or their mutual relations, a statement of such proposed change, modification or departure shall be filed with the Depositaries, and notice of the fact of such filing shall be given as hereafter provided in Article Twelfth; and within two weeks after final publication all holders of the outstanding Certificates for such particular class of securities affected thereby may surrender their respective Certificates therefor and withdraw securities of such particular class or classes, or the proceeds thereof, or substitutes therefor then under the control of the Managers, to the amount indicated in such Certificates, and all Assenting Certificate holders may require cancellation of their assent and release herefrom of the securities represented by their Assenting Certificates, provided, however, that in every case of withdrawal or cancellation the Certificate Holders or the Assenting Certificate Holders shall respectively make payment of their shares of the expenses of the Reorganization Committee and of the Managers as apportioned by the latter. Every Depositor of securities not so surrendering and withdrawing, and every Assenting Certificate Holder not withdrawing his assent, within such two weeks after final publication, shall be deemed to have assented to the proposed changes or

modifications, and whether or not otherwise objecting, shall be bound thereby as fully and effectively as if he had actually assented thereto. Any changes or modifications finally made by the Managers shall be part of the Plan and this agreement; and all provisions and references concerning the Plan shall apply to the plan so changed or modified. In case the Managers shall finally abandon the entire Plan, the stocks and bonds deposited hereunder, or their proceeds, or any stocks, bonds, securities or claims or representatives thereof, then under the control of the Managers, shall be delivered to the several Depositors in amounts representing their respective interests upon surrender of their respective Certificates and payment of such actual expenses as shall have been incurred by the Reorganization Committee and Managers, which latter shall have power to determine and to apportion upon the several classes of securities deposited hereunder the share of expense to be borne by each security. In case of such abandonment, in like manner, and upon like payment of expenses, any assent of the Assenting Certificate holders shall be released by the Managers, and until so released the General Second, General Third and Consolidated Mortgage bonds represented by the Assenting Certificats shall be subject to their ratable share of such expense.

In any such case, any moneys paid by the depositing stockholders, or any coupons, receiver's certificates or other obligations, claims or property acquired therewith, or the proceeds thereof when received, remaining after deducting therefrom the share of the expenses incurred by the Managers under this agreement apportioned upon such depositing stockholders, shall be equitably distributed or adjusted among the respective holders of Certificates of Deposit therefor; but the depositing stockholders, or holders of such Certificates of Deposit, shall have no claim for the repayment of any such moneys, except to the extent of their ratable shares of such moneys, or their proceeds, remaining in the hands of the Managers after payment of such expenses.

In every such case of withdrawal, any cash paid or advanced, as provided in the Plan, to depositors of bonds, notes or dividend certificates or Certificates of Deposit therefor or Assenting Certificates, and any interest paid or advanced to holders of Certificates of Deposit or Assenting Certificates in respect of deposited bonds, notes or dividend certificates represented by such Certificates of Deposit or Assenting Certificates, or in respect of the new bonds to be issued in exchange therefor under the Plan, must be repaid by the holders of such Certificates before the deposited bonds, notes or dividend certificates represented by such Certificates of Deposit or Assenting Certificates shall be surrendered in exchange therefor; but any interest collected by the Managers on deposited securities will in such case of withdrawal be accounted for by the Managers to the holders of the Certificates of Deposit for such securities or of Assenting Certificates.

Fifth. The Managers may proceed under the Plan and this agreement or any part thereof with or without foreclosure, and in case of foreclosure may exercise any power, either before or after foreclosure sale; and in every case all the provisions of the Plan and this agreement shall equally apply to and in respect of any physical properties embraced under the reorganization, and to and in respect of any securities representing any such property, it being intended that for all purposes thereunder any such property, and any security representing such property, may be treated or accepted by the Managers as substantially identical. In case any separate Plan shall, in the opinion of the Managers, become necessary or expedient to effect the reorganization of any subordinate or other company, the Managers

may promote and participate in any such reorganization and may deposit thereunder any securities thereby affected.

In case of any claim, lien or obligation not herein fully provided for and affecting the Railroad Company, or any property or franchises thereof ,the Managers may from time to time (subject, however, to Article Sixth hereof) make such compromise in respect thereto or such provision therefor as they may deem suitable, using therefor any securities not expressly required for settlement with Depositors, or not expressly reserved for liens or obligations specified in the Plan, but the total amount of new securities to be created as set forth in the Plan shall not be thereby increased.

Any action contemplated in the Plan and this agreement to be performed on or after completion and reorganization may be taken by the Managers at any time when they shall deem the reorganization advanced sufficiently to justify such course ,and the Managers as they may deem necessary may defer the performance of any provision of the Plan and this agreement, or may commit such performance to the new company.

They may also in their discretion set apart and hold in trust, or place in trust with any trust company, any part of the new securities to be issued and cash which may be received from sales of new securities, or otherwise, as they may deem judicious, for the purpose of securing the application thereof for any of the purposes of the Plan and this agreement.

Sixth. The Managers may from time to time make contracts with any person, syndicate or corporation for the purpose of carrying this agreement into effect and by loan, guaranty, or by the sale of the new securities to be created, or otherwise, on such terms, conditions and rates as said Managers may deem proper; and may obtain any moneys required to carry out the Plan and this agreement, including such sums as the Managers may deem expedient to provide for the uses of the new Company; and for the performance of any contract said Managers may charge the deposited securities and the new securities to be issued and may pledge the same for the payment of any moneys borrowed and interest thereon, and other performance of any other obligations incurred under the powers herein .conferred. The Managers may employ counsel, agents and all necessary assistance, and may incur and discharge any and all expenses by them deemed reasonable for the purposes of this agreement. They may prescribe the form of all securities and of all instruments at any time to be issued or entered into. They may create and provide for all necessary trusts, and may nominate and appoint trustees thereunder, excepting that the Reorganization Committee shall make any appointment in lieu of, or in succession to, Georg Siemens, and that the Protective Committee shall make any appointment in lieu of, or in succession to, August Belmont, prior to the actual reception of stock by the Voting Trustees. They may, at public or private sale, or otherwise, dispose of any bonds and Trust Certificates for stock of the new Company left in their hands because of any failure to make deposits hereunder. In so disposing of any such new securities thus left on their hands, they may use the same or the proceeds thereof for the purpose of carrying out the reorganization in such manner as they may deem expedient and advisable. At the time of the creation of the new securities, or as soon thereafter as may be, the Managers may take such action (either by creating lesser amounts of securities, or otherwise) as they may deem necessary to guard against the issue of such particular securities in any manner or to any extent inconsistent with the purposes of the Plan.

Seventh. Messrs. J. P. Morgan & Co., as Managers, shall act as

a copartnership, and in case of any change in said firm, the firm of J. P. Morgan & Co., as from time to time constituted, shall continue as Managers, with all the powers, rights and title vested in the Managers hereunder. Neither the Committees nor the Manaagers nor the Depositaries assume any personal responsibility for the execution of the Plan, or of this agreement, or any part of either, nor for the result of any steps taken or acts done for the purpose thereof; the Managers, however, undertaking in good faith to endeavor to execute the same. No member of the Reorganization Committee, nor any Depositary, nor the Managers, shall be personally liable for any act or omission of any agent or employee selected in good faith, nor for any error of judgment or mistake of law, nor in any case except for his, its or their own individual willful malfeasance or neglect; and no member of the Reorganization Committee shall in any case be personally liable for the act or omission of any other member, nor for the acts of any Depositary or of the Managers, nor shall any Depositary or the Managers be personally liable for the acts or defaults of the Reorganization Committee, or of any other Depositary, or of any Trust Company. The Managers may act through any committees or agents, and may delegate any authority, as well as discretion, to any such committee or agent, and the members of such committee or such agents may be allowed a reasonable compensation for their services hereunder, and the Managers shall be entitled to the compensation stated in the Plan. Any member of the Managers or Depositaries, or any member of either Committee, at any time, may be a Voting Trustee, and may be or become pecuniarily interested in any contracts, property or matters which this agreement concerns, including participation in or under any syndicate agreement, whether or not mentioned in the Plan. Any direction given by the Managers shall be full and sufficient authority for any action of the depositaries or of any Trust Company or of any other custodian or of any committee or agent.

The Reorganization Committee shall be entitled to reasonable compensation. It may discharge any and all reasonable expenses by it incurred for any of the purposes of this agreement or of the agreement of February 19, 1894. Its accounts shall be filed with the Board of Directors of the new Company, and the same, as filed, shall be final, binding and conclusive upon all parties having any interest therein. The Compensation of the said Reorganization and the Protective Committee and their expenses shall be paid as part of the expenses of the reorganization.

Eighth. The Managers may negotiate and contract with any and all companies or persons for obtaining or granting running powers, terminal facilities, exchanges of property, or any other convenience which they may deem necessary or desirable to obtain or to grant, and may make contracts therefor binding upon such new Company, and generally may ratify and make purchases, contracts, stipulations or arrangements as will in their opinion operate directly or indirectly to aid in the preservation, improvement, development or protection of any property now constituting the Northern Pacific System, of which the Railroad Company or any subordinate company has contracted to acquire, or to prevent or avoid opposition to or interference with the successful execution hereof.

Ninth. The accounts of the Managers shall be filed with the Board of Director of the new Company within one year after its organization shall have been completed, unless a longer time be granted by the said Board. The accounts, when approved by such Board of Directors, shall be final, binding and conclusive upon all parties having any interest therein, and thereupon the Managers shall be discharged. The

acceptance of new securities by any Depositor or any any Assenting Certificate holder shall estop such acceptor from questioning the conformity of such securities in any particular to any provisions of the Plan; and the acceptance of new securities by the holders of a majority in amount of the Certificates of Deposit and Assenting Certificates for any class of securities shall in each case respectively estop all holders of Certificates of Deposit and Assenting Certificates for securities of that class.

Tenth. The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict general powers herein conferred or intended so to be, and it is hereby distinctly declared that it is intended to confer on the Managers and each Depositor hereunder and each Assenting Certificate holder hereby confers on the Managers, in respect of all securities deposited or to be deposited, or securities represented by Assenting Certificates, and in all other respects, any and all powers which the Managers may deem necessary or expedient in or towards carrying out or promoting the purposes of the Plan and this agreement in any respect, even though any such power be apparently of a character not now contemplated; and the Managers may exercise any and every such power as fully and effectively as if the same were herein distinctly specified, and as often as, for any cause or reason, they may deem expedient. The methods to be adopted for or towards carrying out this agreement shall be entirely discretionary with the Managers.

The bonds and other obligations deposited under the Plan and this agreement, or represented by Assenting Certificates, and all Receivers' Certificates, coupons and claims purchased or otherwise acquired under this agreement, shall remain in full force and effect for all purposes, and shall not be deemed satisfied, released or discharged by any delivery of new securities; and no legal right or lien shall be deemed released or waived, but said bonds and other claims, and any judgment upon any of such claims, including claims and judgments for deficiencies, and all liens and equities, shall remain unimpaired, and may be enforced by the Managers or by the new Company or by any or other assign of the Managers until paid or satisfied in full or expressly released. Neither the Managers nor any bondholders or creditors of the Railroad Company, by executing this agreement, or by becoming parties thereto, release, surrender or waive any lien, right or claim in favor of any stockholders or other creditors of such Company, and all such liens, rights or claims shall vest unimpaired in the Managers and in the new Company, or its assigns, severally and respectively; and any purchase or purchases by or on behalf of the Managers, or the new Company, under any decree for the enforcement of any such lien, right or claim shall vest the property purchased in the Managers or the new Company free from all interest or claim on the part of any such stockholders, creditors or other parties. No right is conferred, nor any trust, liability or obligation(except the agreements herein contained in favor of the holders of Certificates of Deposit or Assenting Certificates hereunder) is created by the Plan and this agreement, or is assumed hereunder or by or for any new Company in favor of any bondholder, or any other creditor, or of any holder of any claim whatsoever against the Railroad Company, nor in favor of any company now existing or to be formed hereafter (whether such claim be based on any bonds, stocks, securities, lease, guaranty or otherwise), with respect to any securities deposited under this agreement or any moneys paid to, or received by Managers or by the Committee or Depositaries hereunder or with respect to any property acquired by purchase at any foreclosure sale, or with respect to any

new securities to be issued hereunder, or with respect to any other matter or thing.

Eleventh. All moneys paid under or with reference to the Plan and this agreement shall be paid over by the Depositaries to the Managers, who shall as bankers hold the same subject to application for any of the purposes of the Plan and this agreement as may be most convenient, and as from time to time may be determined by the Managers, whose determination as to the propriety and purpose of any such application shall be final, and nothing in the Plan shall be understood as limiting or requiring the application of specific moneys to specific purposes. Any obligation in the nature of floating debt or otherwise against any company or property embraced in the Plan, either as proposed or carried out, or any securities held as collateral for any such obligation, may be acquired or extinguished or held by the Managers at such times, in such manner and upon such terms as they may deem proper for the purposes of reorganization, but nothing in the Plan and this agreement contained is intended to constitute, nor shall it constitute, any liability or trust in favor or in respect of any such obligation.

Twelfth. All calls for the presentation of Certificates for stamping, for the deposit of bonds and stocks, for the payment to be made by depositing stockholders or for the surrender of Certificates; all notices fixing or limiting any period for the deposit of securities or for such payments, or for the presentation of Certificates for stamping, and all other calls or notices hereunder, except when otherwise provided, shall be inserted in the New York Times and the New York Tribune, or in two other daily papers of general circulation published in the City of New York; in the London Times and News, or in two other daily papers of general circulation published in the City of London; and in two daily papers of general circulation published in the City of Berlin; twice in each week for two successive weeks, beginning on any day of the week. Any call or notice whatsoever, when so published by the Managers or by the Deutsche Bank, shall be taken and considered as though personally served on all parties hereto, and upon all parties bound hereby, as of the respective dates of insertion thereof, and such publication shall be the only notice required to be given under any provision of this Plan and agreement; and all German translations of the Plan and this agreement and of any call or notice thereunder shall be made under the direction or with the approval of the Deutsche Bank, and when so made shall be sufficient for publication in Germany; but, in case of any discrepancy between such translation and the English original, the latter shall control, and, notwithstanding such discrepancy, shall bind all parties in interest. When a call or notice shall have been advertised as above specified in New York, or in London, or in Berlin, publication shall be complete as regards all holders of certificates of deposit and assented receipts issued or stamped by the Depositaries in the City in which such publication shall have been made, and no further publication shall be required in such city.

Thirteenth. The Plan and this agreement shall bind and benefit the several parties, including the Depositaries hereunder, their and each of their survivors, heirs, executors, administrators, successors and assigns.

Fourteenth. In order fully to subject to every provision of the Plan and this agreement, all General Second, General Third and Consolidated Mortgage Bonds now or hereafter represented by Assenting Certificates of the Mercantile Trust Company, and to obtain therefor all benefits hereunder, the Mercantile Trust Company of New York becomes a party hereto, and each Assenting Certificate holder

hereby confers upon it full power and authority, either with or without the termination of the said Bondholders' Agreement of February 19, 1894, to hold subject to the Plan and this agreement and to deliver to the Managers or upon their order, the bonds represented by any such Assenting Certificate, and full power and authority from time to time thereafter to make, execute and perform (such power and authority by it to be exercised when requested by the Managers) such further or other instruments ,agreements and transfers as may be required hereunder in respect of any bonds represented by any such Assenting Certificates.

In witness whereof, a majority of the Reorganization Committee, the Managers, The Mercantile Trust Company of New York, the Deutsche Bank and the Protective Committee have caused these presents to be duly executed, and all other parties hereto have deposited securities or, as above set forth, have assented hereto in respect of certificates of the Mercantile Trust Company.

EDWARD D. ADAMS,
JOHN C. BULLITT,
LOUIS FITZGERALD,
CHARLES H. GODFREY,
JOHN D. PROBST,
JAMES STILLMAN,
ERNST THALMANN.

THE MERCANTILE TRUST COMPANY,
by Louis Fitzgerald, President.
J. P. MORGAN & CO.

DEUTSCHE BANK,
by Edward D. Adams.

AUGUST BELMONT,
BRAYTON IVES,
GEORGE R. SHELDON,
CHARLEMAGNE TOWER, Jr.

EXHIBIT B.

[This exhibit is a map of Northern Pacific tide lands at Tacoma, attached to original findings and reproduced in certified copies, referred to in finding No. 38.]

Exhibit C.

NORTHERN PACIFIC RAILWAY COMPANY.

Classification of Train, Engine and Car Miles, and Rules for Apportioning Operating Expenses to Accounting Divisions.

Taking Effect July 1, 1907.

CLASSIFICATION OF TRAIN MILES.

Revenue Service.

1. Freight

Includes miles run by revenue-earning trains to transport freight. which do not regularly include a car or cars devoted exclusively or principally to revenue passenger business; also miles run by trains consisting of empty freight cars and of trains consisting of an engine and a caboose running light between terminal stations on account of unbalanced traffic or other causes. When milk, express, baggage or other cars are hauled in a freight train and their earnings are classed as freight earnings, the miles of the train should be considered as freight train miles. Freight trains that regularly haul no passenger service equipment, but transport passengers in a caboose should be classed as freight trains, as should also freight trains temporarily using a passenger car in place of a caboose.

2. Mixed

Includes miles run by revenue-earning trains to transport both passengers and freight in cars, each of which is devoted exclusively to either passenger business or freight business.

NOTE—Milcage of Mixed Trains is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

3. Passenger

Includes miles run by revenue-earning trains to transport passengers, baggage, mail and express, also miles run by trains consisting of deadhead passenger equipment. When one or more cars other than regular passenger-train cars, such as milk cars, cabooses deadheaded back, etc., are hauled in a passenger train, the miles run by that train should be considered as passenger train miles.

4. Special Service

Includes miles run by revenue-earning trains, such as chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts

calling for payment of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

NOTE—Mileage of Special Service Trains is to be apportioned to "Passenger" and "Freight," according to the class of service.

Non-Revenue Service.

Includes miles run by trains which are not revenue producing, such as:

(a) Of the Passenger Class: Pay-trains, official trains, inspection trains for Railway Commissioners, special trains run to convey fire apparatus for use in saving the company's property from destruction by fire and trains run to convey employees to and from work;

(b) Of the Freight Class: Material and supply trains;

(c) Of the Work Class: Construction trains, trains hauling gravel or other ballast, or engaged in bank widening, ballasting and other maintenance work; wrecking trains, repair trains, snow plows and flangers.

Rules for Computation of Train Miles.

1. Revenue Train Miles should be based on the actual distance run between terminals and computed from the official time-table or distance table, the same as for Passenger Miles, Ton Miles and Car Miles.

2. Revenue Passenger trains and Revenue Mixed Trains may incidentally carry private cars, official cars, work or service cars, or cars of related classes; and Revenue Freight Trains may incidentally carry cars containing railway material and supplies, or other freight which does not earn revenue; but whole trains of such cars should be regarded as non-revenue trains and classed accordingly.

3. Non-Revenue Train Miles should be based on the actual distance run between terminals. When work trains are run between terminals and not ordered to work at some specified point or within specified working limits, they should be allowed the actual miles run, the same as any other class of trains. When ordered to run to a certain point to work at that point or within specified working limits, they should be allowed the actual miles made while under running orders and in addition an arbitrary mileage of six miles per hour for the time working at the point or within the working limits named.

4. Each train and each section of a train run by a separate train crew, should be considered a separate train, whether hauled by one or more locomotives for either the whole distance or a part of the distance between the train terminals. There should be nothing added to this distance to cover running from roundhouse to terminal, doubling hills running for water, switching or other work at way stations, or for the service of helper or pusher engines or the extra engines on double or triple-head trains.

5. Mileage of trains detoured over foreign roads when hauled by the engines and handled by the crews of the home company should

be computed on the basis of miles actually run and classied by the detouring line in its train mileage in accordance with the service performed.

CLASSIFICATION OF LOCOMOTIVE MILES.

Revenue Service.

1. **Freight.**

Includes miles run by locomotives between terminals or stations with freight trains.

NOTE.—The mileage of locomotives hauling cabooses only, either for the purpose of hauling traffic or in returning after delivering traffic moving in opposite directions, should be included in "Freight—Light.'

2. **Freight**—Helping.

Includes miles run by locomotives while assisting freight trains either as pushers or as double-headers; also miles run while hauling the second cut of a freight train doubled over grades.

3. **Freight**—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses, going for or returning from service designated in No. 1; miles run by light locomotives going to or returning from assisting freight trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a freight train doubled over grades; miles run light by locomotives of a freight train to and from next coaling station or water tank for coal or water; miles run light to pick up or assist a freight train at stations between train terminals; miles run to pick up and haul dead freight train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from freight-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

4. **Mixed.**

Includes miles run by locomotives between terminals or stations with mixed trains.

5. **Mixed**—Helping.

Includes miles run by locomotives while assisting mixed trains either as pushers or double-headers; also the miles run while hauling the second cut of a mixed train doubled over grades.

6. **Mixed**—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 4; miles run by light locomotives going to or returning from assisting mixed trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a mixed train doubled over grades; miles run light by mixed train locomotives to and from the next coaling station or water tank for coal or water; miles run light to pick up or assist a mixed

train at stations between train terminals; miles run to pick up and haul dead locomotives from mixed trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from mixed-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Mixed Locomotive Miles is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

7. Passenger.

Includes miles run by locomotives between terminals or stations with passenger, mail and express trains.

8. Passenger—Helping.

Includes miles run by locomotives while assisting passenger, mail and express trains either as pushers or double-headers.

9. Passenger—Light.

Includes miles run by locomotives going for or returning from service designated in No. 7; miles run by light locomotives going to or returning from assisting passenger trains, as pushers or double-headers; miles run light by locomotives of a passenger train to and from the next coaling station or water tank, for coal or water; miles run light to pick up or assist a passenger train at stations between train terminals; miles run to pick up and haul dead passenger-train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from passenger-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

10. Special Service.

Includes miles run by locomotives in special revenue service, such as locomotives hauling chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts calling for payments of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

11. Special Service—Helping.

Includes miles run while assisting special service trains as defined in No. 10, either as pushers or double-headers; also the miles run while hauling the second cut of a special service train doubled over grades.

12. Special Service—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 10; miles run by light locomotives going to or returning from assisting special service trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a special service train doubled over grades; miles run light by locomotives of special service trains to and from the

next coaling station or water tank, for coal or water; miles run light to pick up or assist a special service train at stations between train terminals, miles run to pick up and haul dead locomotives from special service trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from special service trains, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Secial Service Locomotive Miles is to be apportioned to "Passenger" and "Freight," according to the class of service.

13. Switching.

Includes miles allowed to locomotives while switching in yards (but not locomotives switching exclusively at shops for shop purposes), and allowed train locomotives for performing switching service at terminals or way stations. Switching miles to be computed at rate of six miles per hour for the actual time engaged in such service in excess of one hour at any one station.

Miles run by switch locomotives helping trains out of terminals will be treated as "Freight—Helping," "Passenger—Helping," etc., according to the class of the train helped. The light miles run by switch locomotives returning to the yard after such helping service will be treated as "Freight—Light," "Passenger—Light," etc., according to the class of the train helped.

NOTE.—Switching locomotive miles is to be apportioned to "Passenger" and "Freight" according to the class of service.

Non-Revenue Service.

Includes miles run by locomotives in the different classes of service described under "Non-Revenue Service Train Miles," and, in addition, trial trips of locomotives, to be computed as follows:

(*a*) In the case of trains of the freight class or of the passenger class, and for trial trips of locomotives, the actual miles run by the locomotives.

(*b*) In case of trains of the work class, when orders are given to a work train to run to a certain point, work between certain limits, and then return, the actual time card mileage will be allowed between points named in running order, and, in addition, six miles per hour for time held between working limits. Work locomotives employed for switching at shops for shop purposes, for spotting cars in gravel pits, working with pile drivers, etc., should be allowed a mileage of six miles per hour for the actual time in service.

Rules for Computation of Locomotive Miles.

1. All locomotive miles made in hauling trains, except in Helping and Work Train Service, should be based on the actual distance run between terminals, to be computed from the official time-tables, or distance-table, as prescribed for Train Miles.

2. Helping miles of locomotives should be based on the actual distance made with trains in helping service or in doubling hills.

3. Work train locomotive miles should be arrived at as prescribed for Work Train Miles.

4. Light locomotive miles should be based on the actual distance locomotives are run light, or with only a caboose for the entire distance between terminals.

CLASSIFICATION OF CAR MILES.

Revenue Service.

Freight.

1. Loaded.

Includes miles run by all loaded freight cars in freight service.

2. Empty.

Includes miles run by all empty freight cars in freight service.

3. Caboose.

Includes miles run by caboose cars in freight service.

Passenger.

4. Passenger Coaches.

Includes miles run by home and foreign passenger coaches, combinations of passenger and baggage, passenger and mail and passenger and express cars, chair and club cars, either in service or deadhead.

5. Sleeping, Parlor and Observation Cars.

Includes miles run by home and foreign sleeping, buffet, parlor and observation cars, either in service or deadhead.

6. Dining Cars.

Includes miles run by home and foreign dining, cafe and other cars devoted exclusively to the serving of meals or other refreshments, either in service or deadhead.

7. Other Passenger Train Cars.

Includes miles run by home and foreign baggage, combination baggage and express and combinations of baggage, mail, postal and express cars; by home and foreign mail, postal and express cars; by business cars and by milk cars in passenger trains; either in service or deadhead.

Special Service.

8. Freight—loaded.
9. Freight—empty.
10. Caboose.
11. Passenger Coaches.
12. Sleeping, Parlor and Observation Cars.
13. Dining Cars.
14. Other Passenger Train Cars.

Includes miles run by the foregoing cars under their appropriate classes, in special revenue service as defined in the Classification of Train Miles.

Non-Revenue Service.

Includes miles run by cars in non-revenue trains as defined in the Classification of Train Miles, and as subdivided above under the head of "Special Service," items 8, 9, 10, 11, 12, 13 and 14.

RULES FOR APPORTIONING OPERATING EXPENSES TO ACCOUNTING DIVISIONS.

Note "A."—The term "Accounting Division" covers not only the divisions established by the Company for its own purposes but the further subdivisions of these when the line involved runs in more than one state, necessary in the preparation of reports to the various states.

Note "B."—By "Track Mileage" is meant the mileage of main, second, third and fourth tracks, yard, passing and spur tracks, sidings and wyes. The mileage at the close of the previous fiscal year is to be used subject to revision on account of the addition during the year of new main, second, third or fourth tracks with their yards, sidings and passing tracks. The addition during the year of yard, passing and spur tracks and sidings not laid in connection with new main tracks, or similar tracks taken up, need not be considered until the revised mileage for a fiscal year is used.

Note "C."—When in making the apportionment it is impracticable to use current train, car or engine mileage, such figures for the preceding month will be used.

Maintenance of Way and Structures.

Under the general heading "Maintenance of Way and Structures," all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Ballast.
Ties.
Rails.
Other Track Material.
Roadway and Track.
Tunnels.
Bridges, Trestles and Culverts.
Over and Under Grade Crossings.
Grade Crossings, Fences, Cattle Guards and Signs.
Snow and Sand Fences and Snow Sheds.
Signal and Interlocking Plants.
(Note.—Repairs should be apportioned according to the location of the tower.)
Telegraph and Telephone Lines.
Buildings, Fixtures and Grounds.
Docks and Wharves.
Maintaining Joint Tracks, Yards and Other Facilities—Dr.
Maintaining Joint Tracks, Yards and Other Facilities—Cr.

Charges to the following named primary accounts can not be entirely localized, and should be apportioned as follows:

Superintendence.

Charges to this account should be localized in so far as the duties of those officers are local to an accounting division, and similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of track mileage over which they have jurisdiction.

Removal of Snow, Sand and Ice.

The cost or expense of removal of snow, sand and ice should, as far as possible, be located to accounting divisions. Any charges that can not be so located should be apportioned on the basis of track mileage of the territory involved.

Roadway Tools and Supplies.

The expenditure should be localized as far as possible. Such expenditures as can not be localized should be apportioned on the basis of cost of labor expended on localized work done in the current month by the gangs to which such tools and supplies are furnished.

Work Equipment—Repairs.

Running Repairs should be localized as much as possible. Such expenditures as can not be allotted to one Accounting Division, including General Repairs, should be apportioned on the basis of track mileage of the entire line.

Note.—The cost of repairing damages caused by accidents should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipmnt.

Work Equipmnt—Renewals.

Charges should be apportioned on the basis of track mileage of the entire line.

Note.—The cost incident to replacement of work equipment (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

Work Equipment—Depreciation.

Charges should be apportioned on the basis of the track mileage of the entire line.

Injuries to Persons.

Charges to this account should be localized as far as possible; and charges that can not be localized should be apportioned on the basis of track mileage of the territory involved.

Stationery and Printing.

The cost of stationery and printing used for maintenance of way and structures purposes should be apportioned on the basis of track mileage maintained.

Insurance.

Premiums for insurance on maintenance of way and structures should be localized; except upon work equipment, which should be apportioned on basis of track mileage maintained.

Other Expenses.

Charges should be localized as far as possible; unlocalized expenses should be apportioned on the basis of track mileage affected.

Maintenance of Equipment.

Under the general heading "Maintenance of Equipment," all charges to the following named primary accounts can be localized and should be apportioned to the Accounting Division on which located:

Maintaining Joint Equipment at Terminals—Dr.

Maintaining Joint Equipment at Terminals—Cr.

Charges to the following accounts can not be entirely localized, and should be apportioned as follows:

Superintendence.

Charges should be localized in so far as the duties of those officers are local to an accounting division; similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of total revenue service engine miles over which they have jurisdiction.

Steam Locomotives—Repairs.

The cost of Running Repairs should be apportioned on the basis of the mileage of the individual locomotives in the current month and the cost of General Repairs should be apportioned on the basis of the mileage of the individual locomotives since the last General Repairs. The cost of repairing damages caused by accident should be localized to the extent of the damage done, to be determined by the officer in charge of equipment. Charges that can not be assigned to individual locomotives should be apportioned on the basis of the total revenue service engine miles of the current month.

Steam Locomotives—Renewals.

Cost of Locomotive (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges should be apportioned on the basis of the total revenue service engine miles for the preceding fiscal year.

Steam Locomotives—Depreciation.

The monthly Depreciation should be apportioned on the basis of the total revenue service engine miles for the current month.

Passenger Train Cars—Repairs.

Freight Train Cars—Repairs.

The cost of repairing passenger and freight cars should be apportioned on the basis of the mileage of such cars, respectively, of the

current month, except in cases of damage by accidents, in which event, the estimated damage done, to be determined by the officer in charge of equipment, should be localized to the Accounting Division on which the damage occurred.

Passenger Train Cars—Renewals.

Freight Train Cars—Renewals.

The cost incident to replacement of freight, passenger and dining cars (less depreciation written off and salvage) retired from service on account of accident should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges on this account should be apportioned on the basis of the mileage of passenger, freight and dining cars, respectively, for the preceding fiscal year.

Passenger Train Cars—Depreciation.

Freight Train Cars—Depreciation.

Charges to these accounts should be apportioned on the basis of the mileage of passenger, freight and dining-cars, respectively, for the current month.

Shop Machinery and Tools.

If a shop is under the charge of a territorial superintendent, the expenditures should be apportioned over that superintendent's territory on basis of Revenue Train Mileage for the current month.

When the operations of the shop are applicable to the entire road, the expenditures should be apportioned on the basis of Revenue Train Mileage of the whole road.

Injuries to Persons.

Charges to this account should be localized by shops as far as possible and should be apportioned on the same basis as charges for machinery and tools at the shop. Charges that can not be localized should be apportioned on basis of total revenue train mileage for the current month of the territory involved.

Stationery and Printing.

The cost should be apportioned on the basis of the total revenue train mileage for the current month.

Insurance.

Premiums for insurance of equipment should be apportioned to "Locomotives, Passenger Train Cars, Freight Train Cars" and "Floating Equipment," and the amount allotted to each class of rolling stock should be apportioned by Accounting Divisions on the basis of the mileage of that class for the current month. In the case of Floating Equipment, charges should be apportioned equally to the accounting divisions involved.

Other Expenses.

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage of the current month.

Equipment Borrowed—Dr.

Charges on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Charges on account of passenger cars should be apportioned on the basis of total passenger car mileage for current month. Charges on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

Equipment Loaned—Dr.

Credits on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Credits on account of passenger cars should be apportioned on the basis of total passenger car mileage for the current month. Credits on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

Traffic Expenses.

The primary accounts incident to traffic expenses chargeable to freight traffic should be apportioned on basis of revenue freight train mileage, those chargeable to passenger traffic on basis of revenue passenger train mileage, and those not naturally chargeable to either passenger or freight, or which may be common to both, on basis of the total revenue train mileage, for the current month.

Transportation Expenses.

Under the general heading "Transportation Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Station Employees.
Yard Masters and their Clerks.
Yard Conductors and Brakemen.
Yard Switch and Signal Tenders.
Yard Supplies and Expenses.
Yard Enginemen.
Enginehouse Expenses—Yard (See Enginehouse Expenses—Road).
Fuel for Yard Locomotives.
Water for Yard Locomotives.
Lubricants for Yard Locomotives.
Other Supplies for Yard Locomotives.
Operating Joint Yards and Terminals—Dr.
Operating Joint Yards and Terminals—Cr.
Water for Road Locomotives.
Interlocking, Block and Other Signals—Operation.
(Note.—Should be apportioned according to location of tower.)
Crossing Flagmen and Gatemen.
Draw Bridge Operation.
(Note.—Should be apportioned equally to Divisions.)
Clearing Wrecks.

Operating Joint Tracks—Dr.

Operating Joint Tracks—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned as fololws:

Superintendence.

Charges should be localized in so far as the duties of the officers are local to a division; similar expenses of officers having jurisdiction over more than one division should be apportioned on the basis of total revenue train mileage for the current month.

Dispatching Trains.

When the jurisdiction of any train dispatching office is confined to one Accounting Division, the expenses of that office should be so charged, but when the jurisdiction extends over two or more Accounting Divisions, the apportionment should be on basis of total revenue train mileage for the current month.

Weighing and Car Service Associations.

The expenses of Weighing Associations and Inspection Bureaus should be localized so far as possible on the basis of the location of the employees of such Associations and Bureaus; the unlocalized expenses should be apportioned on the basis of the localized expenses. The expenses for car service associations should be apportioned on the basis of the total track mileage on June 30 preceding, within the territory over which such Car Service Associations has jurisdiction.

Station Supplies and Expenses.

Charges should be localized as much as possible. Cost of items that can not be allocated to accounting divisions (such as car seals for general distribution to freight stations) should be apportioned on the basis of train mileage for the current month.

Road Enginemen.

The wages paid road enginemen should be localized as to engine runs. When one run covers two or more accounting divisions the expense of that run should be apportioned to divisions on the basis of the actual mileage of that run on each.

Enginehouse Expenses—Road.

The expenses chargeable to Road Locomotives should be localized as to engine runs; if a run covers two or more accounting divisions the expense should be apportioned upon the actual mileage of that run embraced in each accounting division.

Fuel for Road Locomotives.

Lubricants for Road Locomotives.

Other Supplies for Road Locomotives.

The cost of fuel, lubricants and other supplies for road locomotives should be apportioned on the basis of the mileage of the individual locomotives in the current month. Charges that can not be assigned

to individual locomotives, such as sand, will be apportioned on the basis of the total revenue service engine miles for the current month.

Road Trainmen.

The wages paid road trainmen should be localized as to train runs; when one run covers two or more accounting divisions, the expense of that run should be apportioned on the basis of the actual mileage on each division in the current month.

Train Supplies and Expenses.

The cost of train supplies and expenses should be apportioned on the basis of revenue passenger, freight and mixed train mileage (according to the class of service involved) of the current month.

Telegraph and Telephone—Operation.

Charges to this account should be localized as far as possible. Charges which can not be localized should be apportioned on basis of total revenue train mileage of current month.

Stationery and Printing.

The cost should be apportioned on basis of total revenue train mileage for the current month.

Insurance.

Premiums for insurance incidental to transportation expenses should be localized as far as possible; unlocalized expenses should be apportioned on basis of total revenue train mileage for the current month.

Other Expenses.

Charges should be localized as far as possible; expenses which can not be assigned to an individual accounting division should be apportioned on basis of total revenue mileage for the current month.

Loss and Damage—Freight and Baggage.

Charges to Loss and Damage—Freight and Baggage, should be localized as far as known. Unlocated Loss and Damage should be apportioned on the basis of road mileage over which the particular shipment was consigned. Pay and expenses of adjusters should be apportioned on basis of the total revenue freight or passenger train mileage, respectively, for the current month, of the accounting division involved.

Damage to Property.

Damage to Stock on Right of Way.

Injuries to Persons.

Charges to these accounts should be localized as far as possible; unlocalized items should be apportioned on the basis of the total revenue train mileage for the current month of the accounting divisions involved.

General Expenses.

Under the general heading "General Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions in which they occur, viz.:

General Administration Joint Tracks, Yards and Terminals—Dr.

General Administration Joint Tracks, Yards and Terminals—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned to accounting divisions, as follows:

Salaries and Expenses of General Officers.

Salaries and Expenses of Clerks and Attendants.

General Office Supplies and Expenses.

Insurance.

Stationery and Printing.

Charges to these accounts should be apportioned to the accounting divisions on the basis of total train mileage for the current month.

Law Expenses.

Law expenses should be localized as far as possible. When such expenses relate to two or more accounting divisions they should be apportioned on the basis of total revenue train mileage for the current month.

Relief Department Expenses.

Relief department expenses should be apportioned throughout each fiscal year on basis of number of relief department members located in each accounting division on the 30th day of June preceding.

Other Expenses.

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage for the current month.

FINDINGS OF FACT APPLICABLE TO THE GREAT NORTHERN RAILWAY COMPANY.

Finding No. 1.

The Great Northern Railway Company is a corporation organized and existing under and by virtue of the laws of the state of Minnesota and has complied with the laws of the state of Washington regulating foreign corporations and is authorized to conduct and carry on business in the state of Washington.

That said railway company operates and conducts lines of railroad extending from Lake Superior, through the states of Wisconsin, Minnesota, North Dakota, Montana, Idaho and Washington, having its western termini on Puget Sound in the state of Washington. That the said railway company at the time of commencement of this action was an operating company operating its lines under lease and contract from other corporations that owned said railroad lines.

That the Great Northern Railway Company owned and controlled the capital stock of such other corporations.

That the lines operated by the Great Northern Railway Company in the state of Washington consist of a line extending from the Idaho-Washington boundary to Everett, which line was owned by the St. Paul Minneapolis & Manitoba Railway Company and is 353.94 miles in length.

A line extending from Seattle to the International boundary line between Washington and British Columbia at Blaine, including a portion of what was originally the Fairhaven & Southern Railroad Company extending from Bellville to Yukon, being 133.86 miles in length, which was owned by the Seattle & Montana Railway Company.

A line extending from Anacortes to Rockport, being 58.03 miles, constructed by the Seattle & Northern Railway Company, which was owned by the Seattle & Montana Railway Company.

A line extending from Spokane to Hillyard and from Colbert to the International boundary line at Boundary, a distance of 130.51 miles, which was owned by the Spokane Falls & Northern Railway Company.

A line extending from Northport to Velvet, a distance of 7.51 miles, which was owned by the Columbia & Red Mountain Railway way Company.

A line extending from Marcus to the International boundary at Laurier, and from Republic to the International boundary line near Danville, and from Curlew to Midway, a distance of 83.9 miles, which was owned by the Washington & Great Northern Railway Company.

That on or about the 1st day of November, 1907, the said Great Northern Railway Company purchased the lines of the St. Paul, Minneapolis & Manitoba Railway, the Seattle and Montana Railway, the Spokane Falls and Northern Railway, the Columbia and Red Mountain Railway and the Washington and Great Northern Railway in the state of Washington, and other lines outside of the state theretofore operated by it under lease, and at the present time owns, as well as operates, said roads.

No. 2.

That that portion of the line of the Great Northern Railway Company extending from the Washington-Idaho boundary to Everett was constructed by the St. Paul, Minneapolis & Manitoba Railroad Company about the years 1892 and 1893, preliminary surveys and work having been done prior to that time; and the said line was turned over to the Great Northern Railway Company for operation about the year 1894, and has since been operated by the Great Northern Railway Company.

That that portion of the line operated by the Great Northern Railway Company extending from Seattle to the boundary line at Blaine, including what is now the branch line from Bellville to Yukon, and including the following abandoned lines, that is to say, from Yukon to Fairhaven, from Belfast to Sedro Wooley and from Sedro Wooley to Cokedale was constructed by the Seattle & Montana Railway Company and the Fairhaven Southern Railroad Company about the years 1891 and 1892, excepting that portion thereof from Belleville to Fairhaven, which was constructed subsequent thereto, and the said line from the Idaho-Washington boundary to Everett and the said line from Seattle to Blaine, including such abandoned lines, cost, including betterments and improvements, but exclusive of equipment, down to and including the 30th day of June, 1906, the sum of $32,122,346.13, of which sum, the sum of $732,580.91 was expended in the construction of the lines from Yukon to Fairhaven, from Belfast to Sedro Wooley and from Sedro Wooley to Cokesdale, since abandoned as hereinbefore stated.

No. 3.

That in order to reproduce the said line from the Washington-Idaho state line to Everett in its present condition, including the original grading, line changes, bank widening, sidings and bridge filling, whether the same was performed by contract or company forces and whether the same was charged to construction or operation, and considering the said line in its present seasoned condition,

it would be necessary to move 9,445,938 cubic yards of earth a distance of not to exceed 300 feet; 3,006,746 cubic yards of hard pan and cemented gravel a distance of not to exceed 300 feet; 1,013,747 cubic yards of loose rock a distance of not to exceed 300 feet; 2,464,657 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move 15,380,139 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 2,241 acres; which clearing for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of $100.00 per acre.

That it would be necessary to grub 63,405 square rods, which grubbing for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of $1.65 per square rod.

That it would be necessary to cut 3,867 trees which were growing along the said line, dangerous to the operation of trains, which tree felling, for the purpose of ascertaining the cost of reproduction, is estimated to cost $2.00 per tree.

That in order to reproduce the said line in its present condition it would be necessary to drive 461 lineal feet of unlined tunnels, 4,961 lineal feet of timber lined tunnels, and 13,813 lineal feet of concrete lined tunnels, said tunnels including the Cascade tunnel, (which cost as shown by the accounting records of the Great Northern Railway Company, the sum of $2,524,212.34), and the Everett tunnel (which cost, as shown by the Great Northern records, the sum of $132,106.43.)

That in order to reproduce the bridges, trestles and culverts along said line, it would be necessary to construct 24,177 lineal feet of pile and frame trestles an average heighth of 18 feet; 468 lineal feet of Howe Truss bridges being under 60 feet in length, 88 lineal feet of Howe Truss bridges and combination bridges, the same consisting of one bridge 88 feet in length, and 955 lineal feet all being between 100 and 150 feet in length; that the steel bridges consist of bridge No. 269, crossing the Spokane River, being 576 feet in length, consisting of five 48-foot girders, two 165 foot through truss spans, the same requiring in its construction 918,234 pounds of steel and 1,183 cubic yards of concrete masonary; bridge No. 270, being the second crossing of the Spokane River, a double track through truss bridge 230 feet in length, requiring in its construction 1,169,670 pounds of steel and 787 cubic yards of concrete masonry; bridge No. 271, being the third crossing of the Spokane River, being a 190 foot through truss span requiring in its construction 680,021 pounds of steel and 1,158 cubic yards of concrete masonry; bridge No. 272, being the fourth crossing of the Spokane River, the same being a 48 foot girder, requiring in its construction 78,000 pounds of steel and 185 cubic yards of concrete masonry; bridge No. 273, being the fifth crossing of the Spokane River, the same being 1,293 feet long and requiring in its construction 2,832,867 pounds of steel and 2,454 cubic yards of concrete masonry;

bridge No. 274, being the sixth crossing of the Spokane River, being 1,474 feet in length and consisting of 12 through truss spans, requiring in its construction 3,324,642 pounds of steel and 2,938 cubic yards of concrete masonry; bridge No. 288 at the crossing of Crab Creek, the same being 208 feet in length, consisting of one 48 foot, one 96 foot and one 64 foot plate girder, the same requiring in its construction 231,498 pounds of steel and 400 cubic yards of concrete masonry; bridge No. 356 at the crossing of Moses Coulee, being 216 feet in length and consisting of one 48 foot, one 24 foot, one 60 foot and one 84 foot plate girder, requiring in its construction 237,318 pounds of steel and 407 cubic yards of concrete masonry; bridge No. 359 at the crossing of the Columbia River, the same being 874 feet in length, consisting of one 250 foot through truss span, one 418 foot through truss span, and one 210 foot through truss span, requiring in its construction 2,745,318 pounds of steel, including the viaduct approach, the same requiring two abuttments and two piers of concrete masonry; bridge No. 370 at the crossing of the Wenatchee River, being 264 feet in length, consisting of two 130 foot through truss spans, requiring in its construction 483,892 pounds of steel and 1,295 cubic yards of concrete masonry; bridge No. 371 at the second crossing of the Wenatchee River, being 431 feet in length, consisting of two 150 foot through truss spans and two 64 foot plate girders, requiring in its construction 714,413 pounds of steel and 1,016 cubic yards of concrete masonry; bridge No. 372 at the third crossing of the Wenatchee River, being 307 feet in length, consisting of two 150 foot through truss spans, requiring in its construction 608,574 pounds of steel and 2,600 cubic yards of concrete masonry; bridge No. 382 at mile post 1695, the same being 120 feet in length, consisting of one 120 foot through truss span requiring 209,894 pounds of steel and 399 cubic yards of concrete masonry; bridge No. 385, at the crossing of Nason Creek, the same being 240 feet in length, consisting of two 32 foot, two 48 foot, and one 80 foot plate girder, requiring in its construction 1,144,668 pounds of steel and 530 cubic yards of concrete masonry; bridge No. 395, being just east of the Cascade tunnel, being a 24 foot plate girder, requiring 24,244 pounds of steel and 100 cubic yards of concrete masonry; bridge No. 395-3, just west of the Cascade tunnel at mile post 1711, the same being a 48 foot plate girder, requiring in its construction 78,000 pounds of steel and 185 cubic yards of concrete masonry; bridge No. 398 at mile post 1714, the same being 146 feet in length, consisting of one 80 foot, and two 32 foot plate girders, the same requiring in its construction 125,051 pounds of steel and 474 cubic yards of concrete masonry; bridge No. 400, crossing Martin Creek, the same being 256 feet in length, consisting of one 80 foot, one 64 foot, one 48 foot, and two 32 foot plate girders, requiring in its construction 299,898 pounds of steel and 649 cubic yards of concrete masonry; bridge No. 401, being at the second crossing of Martin Creek, being 768 feet in length, consisting of five 48 foot, two 64 foot.

three 80 foot, and five 32 foot plate girders, requiring in its construction 1,393,755 pounds of steel and 1,547 cubic yards of concrete masonry; bridge No. 402, being at mile post 1719, the same being 352 feet in length, consisting of four 64 foot, three 32 foot plate girders, requiring in its construction 400,134 pounds of steel and 676 cubic yards of concrete masonry; bridge No. 403 at the crossing of the Tyee River, the same being 121 feet in length, consisting of one 120 foot through truss span, requiring in its construction 217,131 pounds of steel and 844 cubic yards of concrete masonry; bridge No. 404 at the crossing of Deception Creek, being 208 feet in length, consisting of one 80 foot, one 48 foot, one 32 foot and two 24 foot plate girders, requiring in its construction 240,986 pounds of steel and 630 cubic yards of concrete masonry; bridge No. 406, located at Nippon, the same being 208 feet in length, consisting of one 80 foot, two 48 foot and one 32 foot plate girder, requiring in its construction 211,876 pounds of steel and 444 cubic yards of concrete masonry; bridge No. 407 located at Nippon, being 256 feet in length, consisting of three 48 foot, three 32 foot plate girders, requiring in its construction 269,080 pounds of steel and 820 cubic yards of concrete masonry; bridge No. 408 at mile post 1723, the same being 320 feet in length, consisting of two 64 foot, two 47 foot and three 32 foot plate girders, requiring in its construction 481,368 pounds of steel and 1,036 cubic yards of concrete masonry; bridge No. 412 located at mile post 1724, the same being 245 feet in length, consisting of seven 32 foot and one 20 foot plate girders, requiring in its construction 192,211 pounds of steel and 508 cubic yards of concrete masonry; bridge No. 418 at the crossing of the Foss River, the same being 624 feet in length, consisting of two 64 foot, one 96 foot, four 48 foot, two 40 foot, and four 32 foot plate girders, requiring in its construction 930,838 pounds of steel and 884 cubic yards of concrete masonry; bridge No. 424 at the crossing of the South Fork of the Skykomish River, the same being 250 feet in length, consisting of one 250 foot through truss span, requiring in its construction 653,141 pounds of steel and 853 cubic yards of concrete masonry; bridge No. 436 at the crossing of the North Fork of the Skykomish River, being 294 feet in length, consisting of one 40 foot plate girder, one 250 foot through truss span, requiring in its construction 884,704 pounds of steel and 904 cubic yards of concrete masonry; bridge No. 446 at the crossing of the Sultan River, being 252 feet in length, consisting of one 250 foot through truss span, requiring in its construction 732,626 pounds of steel and 1,838 cubic yards of concrete masonry; bridge No. 455 at the crossing of the Snohomish River, being 640 feet in length, consisting of one 150 foot through truss span, one 250 foot through truss span, and two 120 through truss spans, requiring in its construction 709,212 pounds of steel and 1066 cubic yards of concrete masonry; 159,647 lineal feet of logs in culverts; 963,144 lineal feet B. M. timber in culverts; 50,400 feet B. M. timber in box drains; 5,560 cubic yards of concrete in culverts; 4,009 cubic

yards of stone in culverts; 452 feet of 12-inch vitrified pipe; 496 feet of 18-inch vitrified pipe; 3050 feet of 24-inch vitrified pipe; 3473 feet of 27-inch vitrified pipe; 392 feet of 30-inch vitrified pipe; 40 feet of 8-inch cast iron pipe; 278 feet of 12-inch cast iron pipe; 526 feet of 18-inch cast iron pipe; 2639 feet of 24-inch cast iron pipe; 1132 feet of 30-inch cast iron pipe; 210 feet of 36-inch cast iron pipe, and steel highway bridges consisting as follows, one 72 foot bridge at Lombard Avenue, Everett, which for the purpose of ascertaining the cost of reproduction is estimated to cost $80.00 per foot; one 160 foot bridge at Hewitt Avenue in Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot; one 90 foot bridge at Oaks Avenue, Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot; one 128 foot bridge at Broadway, Everett, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot; one 680 foot bridge at Division street, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot; one 450 foot bridge at Washington street, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot; one 163 foot bridge at Third street crossing, Spokane, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $80.00 per lineal foot.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 1,258,319 ties.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 49,206.95 tons of steel rails, necessitating the use of 3,936 tons of angle bars, 428.3 tons of bolts, 1,599.5 tons of spikes, 862,992 tie plates and 178,095 rail braces, 543 switches complete and 10 crossing frogs complete.

That in order to reproduce the said line it would be necessary to ballast with gravel 353.94 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,100.00 per mile, and 90.76 miles of sidings, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That it would be necessary to lay 444.7 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $700.00 per mile.

That to reproduce the crossings, cattle guards and signs along the said line new, it would cost the sum of $8,304.00.

That in order to reproduce the interest of the Great Northern Railway Company in the telegraph lines along the said line new, it would cost the sum of $27,642.00.

That in order to reproduce the said line in its present condition it would be necessary to construct the following described transportation department buildings; 39,486 square feet floor area of Great Northern standard frame station buildings; 13,860 square feet floor area of brick station buildings, the same being located at Spok-

ane; 7,440 square feet of frame freight sheds and warehouses; 39,350 square feet of brick freight sheds and warehouses; 259,770 square feet of Great Northern standard stock yards, four sets of 50-ton track scales; 5,077 square feet of wood platforms; 19,139 square feet of cinder platforms; 600 square feet of brick platforms, 1,197 square feet, floor area of water closets. That the furniture and fixtures used by the said line at its depots and stations along said line, would cost to reproduce new the sum of $5,300.00.

That in order to reproduce the said line it would be necessary to construct road department buildings as follows: 25,086 square feet floor area of Great Northern standard White section houses; 11,680 square feet, floor area, of Great Northern standard Chinese section houses; 7,184 square feet of tool sheds.

That it would be necessary to construct round houses and shops as follows: 40 brick engine houses comprising 40 stalls, frame engine house comprising 5 stalls, 290 lineal feet of cinder pits, three 60-foot steel turn tables, two 66-foot steel turn tables, 93,500 square feet, floor area, of brick shops; 3,002 square feet, floor area, of frame shops; two transfer tables .

That it would be necessary to construct 31 complete water stations, two 20-pocket coal chutes; one 12-pocket coal chute, one 5-pocket coal chute and one 10-pocket coal chute.

That the interlocking and signal apparatus upon the said portion of said line would cost to reproduce new the sum of $1,000.00.

That in order to reproduce the said line in its present condition, it would be necessary to construct 4,550 lineal feet of snow sheds. That on said portion of said line from the Washington-Idaho boundary to Everett there are 51 sections, and in order to reproduce the tools and equipment necessary for such line, it would cost to reproduce the same new the sum of $200.00 per section.

No. 4.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. on the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned plus

the amount necessary for section equipment and legal and general expenses, costs of engineering, and value of right-of-way and terminals.

No. 5.

That in order to reproduce that portion of the line operated by the Great Northern Railway Company, extending from Seattle to Blaine, including that portion of the branch line from Belfast to Yukon, in its condition on the 30th day of June, 1906, including bank widening, line changes, sidings, bridge filling, and all work performed by company forces whether the same was charged to operating expenses or to construction account, and considering the said line in its present seasoned condition, that it would be necessary to move 4,601,026 cubic yards of earth a distance of not to exceed 300 feet; 933,991 cubic yards of hard pan and cemented gravel a distance of not to exceed 300 feet; 160,007 cubic yards of loose rock a distance of not to exceed 300 feet; 558,806 cubic yards of solid rock a distance of not to exceed 300 feet, and of the above quantities it would be necessary to move an equivalent of 6,804,779 cubic yards of material a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 1,356 acres, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $100.00 per acre.

That it would be necessary to grub 33,735 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1.65 per rod.

That it would be necessary to cut 2,729 dangerous trees, which, for the purpose of ascertaining the cost of reproduction, such tree cutting is estimated to cost $2.00 per tree.

That it would be necessary to drive 2,181 lineal feet of timber-lined tunnels and 5,141 lineal feet of concrete-lined tunnels, said last mentioned tunnel being in the city of Seattle and being owned jointly by the Northern Pacific Railway Company and the Great Northern Railway Company.

That it would be necessary to construct 62,939 lineal feet of pile and frame trestles of an average heighth of eighteen feet; 134 lineal feet of Howe Truss bridges and Combination bridges, of a length less than 60 feet; 574 lineal feet of Howe Truss and Combination bridges of a length between 60 feet and 100 feet; 1004 lineal feet of Howe Truss and Combination bridges of a length between 100 feet and 150 feet; and 962 lineal feet of Howe Truss and Combination bridges of a length greater than 150 feet; bridge No. 64 at Ferndale, the same being 237 feet in length and consisting of one steel draw span requiring in the construction thereof 400,000 pounds of steel and 415 cubic yards of concrete masonry; wooden highway bridges having a total length of 1,384 lineal feet, which, for purposes of ascertaining the cost of reproduction said highway bridges are estimated to cost $20.00 per lineal foot. 63,614 lineal feet of logs in culverts; 955,008 lineal feet B. M. timber in culverts; 5,614 lineal feet B. M.

timber in wooden boxes; 180 cubic yards of concrete in culverts; 65 cubic yards of stone in culverts; 98 feet of 18-inch vitrified pipe; 120 feet of 24-inch vitrified pipe; 295 feet of 30-inch vitrified pipe; 66 feet of 12-inch cast iron pipe; 24 feet of 18-inch cast iron pipe and 120 feet of 24-inch cast iron pipe.

That it would be necessary to lay 541,524 ties, and 19,571.21 tons of steel rails, necessitating track fastenings as follows: 1,574.2 tons of angle bars, 163.7 tons of bolts; 623.2 tons of spikes; 325.728 tie plates; and 66,938 rail braces, 349 switches complete and 5 crossing frogs complete.

That it would be necessary to ballast with gravel 133.86 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,100.00 per mile, and 58.19 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That it would be necessary to lay 192.05 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $700.00 per mile .

That the cattle guards, crossings and signs would cost to reproduce new, the sum of $3,350.00.

That to reproduce the interest of the Great Northern Railway Company in the telegraph lines along the said last mentioned line, would cost new, the sum of $9,380.00.

That the transportation department buildings consist of 20,650 square feet, floor area; of Great Northern standard frame station buildings; 3,840 square feet floor area of Great Northern standard stone and brick combination stations, the same being at Bellingham; 125,628 square feet, floor area, frame sheds and warehouses, the same including 125,000 square feet floor area situate at Smith's cove on the dock hereinafter referred to; 93,685 square feet floor area of brick freight sheds and warehouses; 2,304 square feet of Great Northern standard stock yards; three sets of 50-ton track scales; 23,112 square feet of wooden platforms; 3,000 square feet fo cinder platforms; 1,784 square feet, floor area, of water closets; (this does not include the station owned jointly by the Northern Pacific Railway Company and the Great Northern Railway Company, at Seattle, the same being hereinafter referred to.)

That the station furniture and fixtures, exclusive of the Seattle station, in the stations along the last mentioned line, would cost, to reproduce new, the sum of $1,910.00.

That the road department buildings along the said last mentioned line consist of 11,416 square feet, floor area, of Great Northern standard White section houses; 8,572 square feet, floor area, of Great Northern standard Chinese section houses; 2,936 square feet of tool sheds.

That the round houses and shops along the last mentioned line consist of brick engine houses comprising a total of 15 stalls; frame engine houses comprising a total of 10 stalls; two 60-foot steel turn

tables; 23,815 square feet, floor area, of brick shops; 5,121 square feet, floor area, of frame shops; 24,000 square feet of repair sheds.

That there are on the said last mentioned line seven water stations complete, and for the purpose of ascertaining the cost of reproduction new, they are estimated to cost $2,700.00 each.

That the interlocking and signal apparatus along the said line is estimated to cost the sum of $24,100.00.

That there are, along said line, 19 sections, the tools and equipment for such sections being estimated to cost $200.00 each.

That along the said last mentioned line there is a grain elevator at Seattle, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $100,000.00.

That along the said line is a large and commodious dock at Smith's cove, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $626,368.60 new. That said dock is used for the purpose of transhipment from the rail lines to the steamboat lines and from the steamship lines to the rail lines for foreign shipment, and is operated by the said Great Northern Railway Company.

No. 6.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards, and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations,, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be five per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment, legal and general expenses, costs of engineering and value of right-of-way and terminals.

No. 7.

That that portion of the line now operated by the Great Northern Railway Company extending from Anacortes to Rockport, was built by the Seattle & Northern Railway Company about the year 1892, and the said Seattle & Northern Railway Company sold and transferred during the year 1892 to the Seattle & Montana Railway Company for the sum of $1,482,594.56, and the said line has cost the Seattle and Montana Railway Company and the Great Northern Railway Company, including said purchase price and betterments and im-

provements, down to the 30th day of June, 1906, the sum of $1,546,-577.79.

That in order to reproduce the said line in its present condition, including the original grading, bank widening, grading for sidings, bridge filling, whether the same was or should be charged to construction and operating expenses, and considering the same in its present seasoned condition, it would be necessary to move 851,831 cubic yards of earth a distance of not to exceed 300 feet; 290,316 cubic yards of cemented gravel and hard pan a distance of not to exceed 300 feet; 10,756 cubic yards of loose rock a distance of not to exceed 300 feet; 47,524 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above quantities it would be necessary to move an equivalent of 1,200,427 cubic yards a distance of 100 feet in excess of the 300 foot free haul allowance.

That it would be necessary to clear 627 acres, which clearing, for the purpose of ascertaining the cost of reproduction, is estimated to cost $100.00 per acre; and to grub 14,912 square rods, which grubbing, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1.65 per rod.

That it would be necessary to construct and erect bridges, trestles and culverts as follows: 19,693 lineal feet of pile and frame trestles of an average heighth of eighteen feet; 232 lineal feet of Howe Truss bridges of a length less than 60 feet; 634 lineal feet of Howe Truss and Combination bridges of a length greater than 150 feet; 66,662 lineal feet of logs in culverts; 188,388 feet B. M. timber in culverts; 1,983 feet B. M. of timber in wooden boxes; 92 feet of 18-inch vitrified pipe and 30 feet of 24-inch vitrified pipe.

That it would be necessary to lay 191,319 ties and 6,071.2 tons of steel rails, the same requiring track fastenings as follows: 57.34 tons of angle bars, 59.1 tons of bolts, 218.7 tons of spikes, 140,400 tie plates and 29,015 rail braces, 58 switches complete and 4 crossing frogs complete.

That in order to reproduce the said last mentioned line it would be necessary to ballast with gravel 58.03 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,100.00 per mile, and 9.43 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That it would be necessary to lay and surface 67.46 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $700.00 per mile.

That the cattle guards, crossings and signs along said line would cost to reproduce new the sum of $1,450.00.

That the interest of the Great Northern Railway Company in the telegraph lines along said last mentioned line would cost to reproduce new $4,060.00.

That the transportation department buildings along the said line consist of 5,829 square feet, floor area, of Great Northern standard frame station buildings, 18,120 square feet, floor area, of frame freight sheds and warehouses, 2,208 square feet of Great Northern standard stock yards, one set of 34-foot track scales, 3,596 square feet of wooden platforms and 361 square feet floor area of water closets.

That to reproduce the furniture and fixtures in the said station buildings along the said line, would cost new, the sum of $770.00.

That the road department buildings along the said line consist of 3,198 square feet, floor area, of Great Northern standard White section houses; 1,800 square feet floor area of Great Northern standard Chinese section houses; 1,018 square feet of tool sheds. That the round houses and shops along said line consist of one one-stall frame engine house and two 60-foot steel turn tables. That along the said last mentioned line there are four complete water stations, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost $2,700.00 each.

That the interlocking and signal apparatus along the said portion of said line would cost to reproduce new the sum of $125.00.

That there are along said portion of said line 8 sections, the tools and equipment for which sections are estimated to cost $200.00 each.

No. 8.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shops, machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned plus the amount necessary for section equipment and legal and general expenses, costs of engineering, and value of right-of-way and terminal grounds.

No. 9.

That that portion of the line operated by the Great Northern Railway Company extending from Spokane to Hillyard, heretofore operated and owned by the Spokane Falls & Northern Railway Company, and that portion from Colbert to Boundary, was constructed by the Spokane Falls & Northern Railway Company, and that portion of the line from Northport to Velvet was constructed by the Columbia

& Red Mountain Railway Company, said property as first above described being operated by the Spokane Falls & Northern Railway Company up to, on, or about the 1st day of July, 1907; the said property second above described being operated by the Columbia & Red Mountain Railway Company up until said last mentioned date, at which time the operation of said property was taken over by the Great Northern Railway Company and since said date the same has been and now is operated by it .

That the accounting records showing the original cost of construction of said property are not obtainable. That the Spokane Falls & Northern Railway Company was organized with a capital stock of 28,120 shares of the par value of $100.00 per share, making a total capital stock issue of $2,812,000.00.

That in the year 1889 said Spokane Falls & Northern Railway Company issued its first mortgage bonds upon said property in the amount of $2,812,000.00, of which capital stock the Great Northern Railway Company owns $2,809,000.00 worth par value, and of said bonds the Great Northern Railway Company owns $2,580,000.00 worth par value.

That said first mortgage bonds were sold and realized in cash the sum of $2,390,200.00.

That the Columbia & Red Mountain Railway Company was organized with a capital stock consisting of 2,644 shares of the par value of $100.00 per share, making a total capital stock issue of $264,400.00.

That in the year 1896 it issued its first mortgage bonds in the sum of $291,000.00. That said capital stock and bonds all are owned by the Great Northern Railway Company.

That the total capitalization of the said Spokane Falls & Northern and the said Columbia & Red Mountain Railway Company, including the stocks and bonds, is the sum of $6,179,400.00.

That it would cost to reproduce the said lines in their present condition, exclusive of right-of-way, real estate and equipment, the sum of $2,545,519.95.

No. 10.

That in order to reproduce the lines herein referred to as the Spokane Falls & Northern Railway Company and the Columbia & Red Mountain Railway Company, it would be necessary to move 2,207,301 cubic yards of earth a distance of not to exceed 300 feet; 277,139 cubic yards of cemented gravel and hard pan a distance of not to exceed 300 feet; 198,893 cubic yards of loose rock a distance of not to exceed 300 feet; 156,393 cubic yards of solid rock a distance of not to exceed 300 feet. And, of the above mentioned quantities, it would be necessary to move an equivalent of 2,839,752 cubic yards of material a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 520 acres, which, for the

purpose of ascertaining the cost of reproduction, are estimated to cost $80.00 per acre.

That it would be necessary to grub 4,360 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1.65 per square rod.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 12,056 lineal feet of pile and frame trestles; one 75-foot Howe Truss bridge; and bridge No. 1 over the Columbia River at Northport, the same being a 1200-foot combination bridge, consisting of three 150-foot combination spans, and three 250-foot combination spans on concrete masonry; 54,556 lineal feet of logs in culverts; 73,692 feet B. M. timber in culverts; 4,083 feet B. M. timber in wooden boxes; 242 feet of 12-inch vitrified pipe; 2162 feet of 18-inch vitrified pipe; 858 feet of 24-inch vitrified pipe; 110 feet of 27-inch vitrified pipe; 238 feet of 12-inch cast iron pipe; 302 feet of 18-inch cast iron pipe; 300 feet of 24-inch cast iron pipe; and 192 feet of 30-inch cast iron pipe.

That in order to reproduce the said lines in their present condition, it would be necessary to lay 450,530 ties, and 14,458.69 tons of rails, requiring track fastenings as follows: 1,358.4 tons of angle bars, 139.1 tons of bolts, 516.6 tons of spikes, 336,960 tie plates, 69,010 rail braces, and 125 frogs and switches complete. That it would be necessary to ballast with gravel 138.02 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,100.00 per mile, and 20.70 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That it would be necessary to lay and surface 158.81 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $700.00 per mile.

That in order to reproduce the said line it would be necessary to put in cattle guards, crossings and signs along said road, and for the purpose of ascertaining the cost of reproduction, the same are estimated to cost new, the sum of $3,450.00.

That the interest of the Great Northern Railway Company in the telegraph lines along the said line is estimated to cost new the sum of $9,660.00.

That the transportation department buildings along the said line consist of 22,648 square feet floor area of Great Northern standard frame station buildings; 8,898 square feet floor area of frame freight sheds and warehouses; 6,468 square feet of Great Northern standard stock yards; 6,637 square feet of wooden platforms; 600 square feet of frame platforms and 152 square feet of water closets. That the furniture and fixtures now in use in the stations along said lines would cost new, the sum of $1,870.00.

That the road department buildings along the said line consist of 9,808 square feet, floor area, of Great Northern standard White sec-

tion houses; 144 square feet, floor area, of Great Northern standard Chinese section houses, and 1,568 square feet of tool sheds.

That along said line there are fuel stations and coal sheds, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost new, the sum of $7,000.00.

That there are along said line 9 complete water stations and that for the purpose of ascertaining the cost of reproduction it is estimated that the same would cost new the sum of $2,700.00 each.

That the interlocking and signal apparatus along said portion of said line is estimated to cost $350.00.

That there are along said line 20 sections, the tools and equipment for which sections are estimated to cost $200.00 each.

No. 11.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, trestles, bridges and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs ,interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses and turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment and legal and general expenses and costs of engineering, and value of right-of-way and terminal grounds.

No. 12.

That that portion of the lines operated by the Great Northern Railway Company extending from Marcus to Laurier, from Republic to the International boundary line and from Curlew to the International boundary line, was constructed by the Washington & Great Northern Railway Company.

That the said Washington & Great Northern Railway Company is a corporation organized under the laws of the state of Washington, having an authorized capital stock of 100,000 shares of the par value of $100.00 per share, making a total authorized capital stock of ten million dollars, of which stock two million dollars have been issued, all of such capital stock so issued being owned by the Great Northern Railway Company.

That the Washington & Great Northern Railway Company operated its line down to, on, or about the 30th day of July, 1907, when the operation thereof was taken over by the Great Northern Railway

Company and the same has been and now is operated by the said Great Northern Railway Company.

That the said lines cost the Washington & Great Northern Railway Company, down to the 30th day of June, 1906, including betterments and improvements, the sum of $3,047,763.73.

No. 13.

That to reproduce the said line last mentioned in its present condition, including bank widening, bridge filling, and considering the same in its present seasoned condition, it would be necessary to move 1,288,410 cubic yards of earth a distance of not to exceed 300 feet; 764,569 cubic yards of hard pan a distance of not to exceed 300 feet; 156,153 cubic yards of loose rock a distance of not to exceed 300 feet; 584,284 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above quantities it would be necessary to move an equivalent of 2,793,416 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 959 acres, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $90.00 per acre; and to grub 8004 square rods, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1.65 per square rod .

That it would be necessary to drive one unlined tunnel 113 feet long.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 6,231 lineal feet of pile and frame trestles; which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $10.00 per lineal foot; 132 feet of Howe Truss bridges of a length less than 60 feet; one 88-foot Howe Truss bridge, and 1500 feet of Howe Truss bridge of a length between 100 and 150 feet, the last mentioned including the Howe Truss bridge over the Columbia River at Marcus, the same being 1395 feet in length; 194,262 lineal feet of logs in culverts; 24 feet of 12-inch cast iron pipe and 60 feet of 24-inch cast iron pipe.

That it would be necessary to lay 260,813 ties and 8,928.72 tons of steel rails, requiring track fastenings as follows: 797 tons of angle bars, 91.9 tons of bolts, 300 tons of spikes, 205,920 tie plates, 41,950 rail braces, 47 switches complete, and 2 crossing frogs complete.

That it would be necessary to ballast with gravel 83.9 miles of main track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,000.00 per mile, and 7.89 miles of side track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That it would be necessary to lay and surface 91.79 miles of track, which, for the purpose of ascertaining the cost of reproduction, is estimated to cost $700.00 per mile.

That it would be necessary to construct cattle guards, crossings,

and signs along the said line, which, for the purpose of ascertaining the cost of reproduction, are estimated to cost $2,100.00.

That the interest of the Great Northern Railway Company in the telegraph lines along the said line would cost $5,880.00.

That the transportation department buildings along the said line consist of 6,960 square feet ,floor area, of Great Northern standard frame station buildings, 384 square feet, floor area, frame freight sheds and warehouses, 6,912 square feet of stock yards; one set of 50-ton track scales; 4,836 square feet of cinder platforms, and 144 square feet of water closets.

That the furniture and fixtures now in use in the buildings along the said line are estimated to cost new, the sum of $842.00.

That the road department buildings along the said line consist of 7,040 square feet, floor area, of Great Northern standard White section houses; 630 square feet, floor area, of Great Northern standard Chinese section houses; 1,344 square feet of tool sheds.

That the round houses and shops along the said line consist of one frame round house consisting of three stalls.

That along the said line there are eight complete water stations, which, for the purpose of estimating the cost of reproduction, are estimated to cost $2,700.00 each. That the interlocking and signal apparatus along the said line is estimated to cost $125.00.

That there are now along the said line 12 sections, the tools and equipment for which sections is estimated to cost $200.00 per section.

No. 14.

That a reasonable and fair allowance for engineering expenses would be three and one-half per cent. of the cost of reproducing the grading, tunnels, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing. crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, transportation department buildings, shops, round houses, turn tables, road department buildings, shop machinery and tools, water stations, fuel stations, storage warehouses and miscellaneous structures.

That a reasonable and fair allowance for legal and general expenses would be one per cent. of the items mentioned in connection with the engineering expenses, together with one per cent. on the amount paid out for taxes during construction.

And a reasonable and fair allowance for interest during construction would be 5 per cent. of the items last hereinbefore mentioned, plus the amount necessary for section equipment and legal and general expenses, costs of engineering and value of right-of-way and terminals.

No. 15.

That the records of the Great Northern Railway Company show that a large amount of money has been spent for riprap, retaining walls, slope walls, cribbing, bulk heads, shop tools and machinery,

fencing, miscellaneous structures other than those hereinbefore set out, and stores on hand. That the Commission finds that the amounts shown by the records as expended for such purpose was expended and the improvements were made, but from the evidence introduced the Commission is unable to apportion the amount expended for such purposes to the different lines hereinbefore set out, and for that reason the Commission now finds that the Great Northern Railway Company has placed on its lines in the state of Washington hereinbefore mentioned, 492,000 cubic yards of riprap and has constructed 36,000 cubic yards of retaining wall, 130,400 cubic yards of slope wall, and has expended for cribbing and bulk heading the sum of $122,500.00, and for fencing the right-of-way the sum of $80,371.04, and has expended for shop tools and machinery $181,280.40, and for miscellaneous structures other than those enumerated before, the sum of $241,181.58, and for stores now on hand in the state of Washington for use upon said lines the sum of $360,904.26.

That it is necessary in the operation of a railroad to constantly have on hand stores, including fuel, and other material for the operation of trains and material for repair and reconstruction of tracks and equipment; and that the sum above stated is a reasonable amount to have on hand. That when such material is used by the Railroad Company it is charged to the operating expenses or to betterments and improvements as the facts may justify.

That the items mentioned in this finding are divided on a mileage basis in the findings hereinafter set out showing the cost of reproducing the main and branch lines within the state of Washington.

No. 16.

That in ascertaining the original cost of the equipment owned and used by the Great Northern Railway Company in Washington, the cost of reproducing the same new and its present value, such equipment has been ascertained in the manner hereinafter stated.

Locomotives were ascertained by finding the total original cost, the cost of reproducing new and the present value of all locomotives used on the entire divisions operating in the state of Washington, ascertaining the total locomotive mileage on such division and apportioning to the state of Washington in proportion that the locomotive mileage in the state of Washington bore to the mileage of such entire division.

No. 17.

That the operating divisions in Washington consist ofthe Spokane division extending from Troy, Montana, to Leavenworth, Washington. That the locomotive mileage on such entire division for the year ending June 30th, 1906, was 1,629,384 miles, of which 1,167,804 miles, or 71.6 per cent. thereof, was in Washington. That the entire engines assigned to such division cost, originally, the sum of $554,218.70, leaving the original cost chargable to the state of Washington for such engines, the sum of $396,820.59.

That on the Cascade division extending from Leavenworth, Washington, to Everett, Washington, Seattle, Washington to Vancouver, British Columbia, and Anacortes to Rockport, the locomotive mileage for the year ending June 30th, 1906, was 1,700,921 miles, of which 1,650,258 miles or 97 per cent., was in the state of Washington.

That the locomotives used on and assigned to the Cascade division cost originally, as shown by the accounting records of the Great Northern Railway Company, the sum of $739,986.31, and the amount chargable to the state of Washington would be the sum of $717,786.72.

That on the Spokane Falls & Northern division, covering the lines heretofore described as the Spokane Falls & Northern and the Columbia & Red Mountain, and the Washington & Great Northern, the locomotive mileage for the year ending June 30th, 1906, was 570,509 miles, of which 403,560 miles, or 70.7 per cent., were in Washington. That the original cost properly chargable to the state of Washington was $138,310.00.

That the locomotives on the entire Cascade division and the entire Spokane division consist of 101 locomotives, of which 10 have been in use 3 years, 7 have been in use 4 years, 24 have been in use 5 years, 3 have been in use 7 years, 15 have been in use 8 years, 3 have been in use 10 years, 12 have been in use 14 years, 1 has been in use 15 years, 1 has been in use 16 years, 2 have been in use 17 years, 2 have been in use 18 years, 11 have been in use 19 years, 3 have been in use 23 years, 5 have been in use 24 years, 1 has been in use 26 years and 1 has been in use 34 years, making an average time in use by the locomotives on such divisions of 9.5 years.

That the average age or time in use of the locomotives used on the Spokane Falls & Northern operating division is 10 years.

No. 18.

That in order to reproduce new at the present time, the locomotives properly chargable to the state of Washington, the same would cost $1,440,854.90.

That locomotives in use depreciate annually 3.6 per cent. of their value, and the present market value of the locomotives of the Great Northern Railway Company, properly chargable to the state of Washington, is the sum of $944,595.99.

No. 19.

The original cost, cost of reproducing the same new, and present value of the passenger cars used, properly chargable to the state of Washington, have been ascertained by finding the total value of all passenger cars used on the Great Northern System, ascertaining the total mileage of passenger cars in the state of Washington and apportioned the same to the state of Washington as the mileage in the state of Washington bears to the entire system.

That the passenger cars on the entire system, as shown by the

accounting records of the Great Northern Railway Company, cost $4,070,424.68.

That the passenger car mileage for the entire system for the year ending June 30th, 1906, was 44,779,961 miles, of which 6,812,593 miles or 15.214 per cent., was in the state of Washington.

That it would cost to reproduce new, the passenger cars properly chargable to the state of Washington, on the tracks of the Great Northern in the state of Washington, based on such passenger car mileage, the sum of $711,510.23.

That the said passenger cars have been in use in excess of 8.5 years, and that the said passenger cars would depreciate, while in use, annually, 3.6 per cent., and that the present cash market value of said passenger coaches, in their present condition, is the sum of $492,394.42.

No. 20.

The original cost, cost of reproduction new and present cash market value of the freight cars properly chargable to the state of Washington, has been ascertained by finding the total value of all freight cars used on the Great Northern system for the year ending June 30th, 1906, and the freight car mileage for the same period, in the state of Washington, and apportioning the same on the relative proportion that the freight car mileage in the state of Washington, bears to the freight car mileage on the entire system.

That the freight cars on the entire system of the Great Northern Railway Company cost, originally, as shown by the records of the Great Northern Railway Company, the sum of $20,356,142.73.

That the freight car mileage for the entire system for the year ending June 30th, 1906, was the sum of 345,307,184 miles, of which 33,428,695 miles, or 9.681 per cent., was in the state of Washington.

That it would cost to reproduce new, the freight cars properly chargable to the state of Washington, on the tracks of the Great Northern Railway Company's line in the state of Washington, based on such freight car mileage, the sum of $2,345,786.86.

That said freight cars have been in use an average of 7.5 years and the annual depreciation for cars in use is approximately 3.6 per cent., and that the present cash market value of said freight cars applicable to the state of Washington, on the tracks of the Great Northern Railway Company in the state of Washington, in their present condition, is the sum of $1,709,410.98.

No. 21.

That the original cost, cost of reproduction new and the present market value of the work and miscellaneous equipment properly applicable to the state of Washington, owned and operated by the Great Northern Railway Company, has been ascertained by finding the total cost, cost of reproduction and present value of such work and miscellaneous equipment, for the entire system of the Great Northern Railway Company, finding the total main and side track system as of June

30th, 1906, and the total main and side track mileage in the state of Washington and apportioning the same in the proportion that the main and side track mileage in the state of Washington bears to the main and side track mileage of the entire system.

That the total original cost of all the work and miscellaneous equipment, owned and operated by the Great Northern system as shown by its accounting records, was the sum of $1,487,062.67.

That the total main and side track mileage of the system operated by the Great Northern system on June 30th, 1906, was 7,367,73 miles, of which 957.07 or 13 per cent. thereof were in the state of Washington.

That it would cost to reproduce such work and miscellaneous equipment properly applicable to the state of Washington on the lines of the Great Northern Railway Company in the state of Washington new, the sum of $199,451.19.

That the said equipment has been in use an average of more than 7 years and the same would gradually depreciate by use, and that the present cash market value of such equipment properly applicable to the state of Washington on the lines of the Great Northern Railway Company in the state of Washington, is the sum of $147,152.36.

No. 22.

That it would cost at the present time to reproduce the right-of-way, lands and terminal grounds of said railroad, owned and used by it for railroad purposes, and such as it now owns which in the immediate future will be necessary for it to use for railroad purposes, the sum of $17,105,692.04, which sum is divided along the line of said railroad as follows:

From the Idaho-Washington boundary to the northerly limits of the city of Spokane, the sum of $166,944.46.

That portion of the right-of-way from the west line of the city of Spokane to the boundary line between Spokane and Lincoln counties, the sum of $38,869.

From such last mentioned point to the boundary line between Lincoln and Douglas counties, the sum of $88,715.00.

From such last mentioned point to the center of the Columbia River, being the boundary line between Douglas and Chelan counties, the sum of $55,236.00.

From such last mentioned point to the boundary line between Chelan and King counties, the sum of $221,062.00.

From such last mentioned point to the boundary line between King and Snohomish counties on the main line of the said road, the sum of $43,416.00.

From such last mentioned point to the southeast limits of the city of Everett, the sum of $185,866.05.

That portion of the coast line extending from the southerly limits of the city of Everett to the south line of Snohomish county, the sum of $186,092.50.

That portion of the coast line extending from the south line of

Snohomish county to the city limits of the city of Seattle, the sum of $482,873.00.

From the north boundary of the city limits of the city of Everett to the boundary line between Snohomish and Skagit counties, the sum of $126,598.50.

From the last mentioned point to the Whatcom-Skagit county boundary line, the sum of $308,668.78, including the branch from Belleville to Yukon.

From the Whatcom-Skagit county boundary to the city limits of the city of Bellingham, the sum of $252,290.00.

That portion from the northwest boundary of the city limits of Bellingham to the International boundary line at Blaine, the sum of $348,453.80.

That portion extending from Anacortes to Rockport, the sum of $252,361.30.

All that portion within the corporate limits of the city of Everett, the sum of $1,077,750.00.

All that portion within the corporate limits of the city of Bellingham, the sum of $552,610.00.

All that portion owned by the Great Northern Railway Company within the city limits of the city of Spokane and used by it for railroad purposes, such as it will require in the immediate future, the sum of $1,562,228.33.

That the Great Northern Railway Company also owns within the corporate limits of the city of Spokane a tract of land lying south of College avenue and east of Cedar street, containing 1,098,945 square feet, 120,000 square feet of which is necessary for use by the said railroad for railroad purposes in the immediate future and is included in the cost of reproduction above set out.

All that portion of said tract south of a line drawn parallel with and 50 feet distant southerly from the center line of the main track as the same is now constructed between Monroe and Cedar street, and all that portion of said tract north of a point 50 feet north of the center line of the main tract of said Great Northern Railway as the same extends through said tract between Monroe and Cedar street, is not used for railroad purposes nor is the same necessary for the use of the said railroad company in the immediate future, but all that portion of said tract save and except the piece above described 100 feet in width extending through said tract, is owned and held by the Great Northern Railway Company for commercial purposes, the said property so held for commercial purposes being approximately 978,945 square feet, more or less, having a valuation of $221,750.00, more or less.

That the Great Northern Railway Company also owns in addition to the property above described in Spokane leased to and occupied by the following named persons: A dwelling house leased by the Oriental Trading Company; coal yard, leased by Nelson Coal & Wood

Company; 3 pieces leased for storage ground for poles to the Pacific States T. & T. Co.; warehouse, leased to Minn. Linseed Oil Paint Co.; office, leased to Exchange Lbr. & Mfg. Co.; and a lumber yard, leased to Exchange Lbr. & Mfg. Co.; property leased to the Washington Mill Company for a dry kiln; property leased to the Syphers Machinery Co.; property leased to the Morgan Clamp Fence Co.; property leased to the Spokane Steam Laundry; property leased to the Havre Fuel Company; property leased to the Diamond Ice & Fuel Co.; property leased to the Crystal Marble Quarries Company; property leased to the Central Lumber Company for a lumber yard and warehouse; property leased to the Buffalo-Pitts Company for implement warehouses; property leased to the Phoenix Lumber Company for a lumber yard; property leased to B. Boyle for a wood yard; property leased to Mpls. Threshing Machine Company for machine warehouse; property leased to Jekins Luellwitz Lbr. Company for freight house; property leased to D. Boyington for warehouse; two pieces leased to the Empire Electric Company for storage yards; property leased to Mitchell Bros. for warehouses; property leased to the Washington Water Power Company for storage yard; property leased to the Spokane Implement Company for warehouse; property leased to Chas. G. Schrimps for warehouse; property leased to M. Seller & Company for warehouse; property leased to Bradley Engine & Machine Company for warehouse; property leased to Frank Johnson & Son for a dwelling; property leased to Frank Johnson & Son for a lumber yard; property leased to Frank, Emma and Wm. Johnson for lumber yard; property leased to Rudolph Dorn for coal shed; property leased to O. F. Ross for dwelling house; dwelling and barn leased to Mr. Schlenger; property leased to Washington Water & Power Company; property leased to the Portland Flour Mills Company for Echo Roller Mills; and property leased to the Standard Oil Company for steel storage tanks, and

The following property in Hillyard: Warehouse leased to W. G. Mulligan, Winters, Parsons & Boomer, Burns & Jordan, P. Welsh & Co., and Porter Bros.; office building leased to Winnans & Coble; fuel yard leased to Nelson Coal & Wood Company, and coal shed leased to the Havre Fuel Company.

From which leases above mentioned the Great Northern Railway Company receives from the lessees an annual rent approximating $16,000.00 ,and which property is not at the present time used by the railroad company for railroad purposes.

No. 23.

That since the filing of the complaint herein, the Great Northern Railway Company has sold to the Northern Pacific Railway Company an undivided one-half interest in what is known as the joint terminal grounds of the Northern Pacific and Great Northern Railway Company in the city of Seattle, and the findings herein contained show the

value of the property at this time owned by the Great Northern Railway Company in the city of Seattle.

That the lands and real estate owned by the Great Northern Railway Company in the city of Seattle and used by it for railroad purposes including its undivided one-half interest in the joint terminal grounds, and such as is now owned by it and necessary to be used by it in the immediate future for railroad purposes, would cost to reproduce the sum of $10,937,543.69.

That in addition to the lands and real estate above described, the Great Northern Railway Company owns in the city of Seattle the following described property: All that portion marked in red on the map designated as "Plat of part of Seattle tide lands showing the property owned by the G. N. Ry.," and further marked as "Tide land area east of 4th Ave.,' said map being marked G. N. Exhibit "A," hereto annexed and made a part of these findings; lying south of Seattle Boulevard and east of 4th Avenue south and being portions of tide land blocks 341, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 276, 277, 278, 279, 280, 281, 282 and 283, and having a total square foot area of 3,864,096 feet, which property is not necessary for the present or immediate future needs of the company for railroad purposes, but is held by it for commercial purposes.

Also, block 13 in Maynard's Addition, the same being colored yellow on the map, such property being owned an undivided one-half by the Northern Pacific Railway Company and an undivided one-half by the Great Northern Railway Company, said block containing 5,920 square feet.

Also a portion of block 12 in Maynard's Addition, having a total area of 19,094 square feet.

Also a small portion of block 5, amounting to 7,140 square feet.

Also lots 7, 10 and 11 in block 36 of A. A. Denny's 6th addition to Seattle.

An undivided one-half of a portion of block 18, containing 26,640 square feet, the remaining one-half thereof being owned by the Northern Pacific Railway Company.

An undivided one-half interest in and to the east half of block 19, the remaining undivided one-half interest being owned by the Northern Pacific Railway Company.

The Great Northern Railway Company also owns the west one-half of said block 19, said block containing 56,124 square feet; also tract No. 145-148-149-152-153-154.

That portion of blocks 139 and 140 on which is erected the elevator and warehouse owned by the Great Northern Railway Company, and lots 9 and 10 and those portions of 11 and 12 in block 140, outside of the portion which is bulkheaded and filled, a portion of lots 5 to 10 inclusive in tide land block 146 outside of the portion which is filled and bulkheaded, amounting to 78,475 square feet, more or less, and lot 9 and that portion of lot 8 outside of the portion which is filled and

bulkheaded in block 147, containing 9,859 square feet, all being near Smith's cove and shown in the map hereunto annexed, marked G. N. "Exhibit B," hereby referred to and made a part of these findings, all of which commercial property is of the reasonable value of $9,097,-489.66, and is not included in the $17,105,692.04 mentioned in finding No. 22.

No. 24.

That it would cost to reproduce that part of the right-of-way and terminal grounds of the Great Northern Railway Company known as the Spokane Falls & Northern Railway Company, the sum of $131,-399.00.

No. 25.

That it would cost to reproduce the right-of-way of the Great Northern Railway System known as the Columbia & Red Mountain Railway Company, the sum of $8,279.00.

No. 26.

That it would cost to reproduce the right-of-way and terminals of that portion of the Great Northern System known as the Washington & Great Northern Railway Company, the sum of $78,436.23.

No. 27.

That the said Great Northern Railway Company through the eastern portion of said state, traverses a rich agricultural section, producing annually large quantities of grain and hay destined for shipment over the lines of the said railroad company in car load lots, including approximately 8,000,000 bushels of wheat, large quantities of which wheat or its product in flour, are carried over the lines of the Great Northern Railway Company to Seattle and Everett, and after arriving at its destination in Seattle and Everett, are shipped to foreign ports.

That along the line of the Great Northern Railway Company in the state of Washington, there are adequate warehouses and facilities for handling or storage of grain, which warehouses are owned and operated by private individuals as warehousemen, but which warehouses add greatly to the facilities for freight shipments and add a value to the railroad line.

That in Seattle the docks and warehouses hereinbefore mentioned whether the same are owned by the Great Northern Railway Company or by private individuals, add value to the lines by reason of the fact that they furnish adequate facilities for the transhipment of freight consigned from the lines of the railroad to water and from steamboat lines to the said rail lines.

No. 28.

That the line of the Great Northern Railway Company in Western Washington traverses portions of the state producing large quantities

of fir and cedar lumber and cedar shingles, furnishing abundant tonnage eastward over its lines.

No. 29.

That since the construction of the line of the Great Northern Railway Company through the state of Washington, said company has expended large sums of money in advertising and exploiting the resourses of the country adjacent to its lines and has encouraged immigration along its lines so that the territory adjacent and tributary to its rail lines has a comparatively large population and the density of traffic and the country tributary to its lines are comparatively highly developed, compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

No. 30.

That the Great Northern Railway Company and the Northern Pacific Railway Company jointly constructed a passenger station building in the city of Seattle, said station building costing, exclusive of the real estate, the sum of $549,633.39.

That the same was erected and constructed in the years 1904 and 1905.

That it would cost the Great Northern Railway Company to reproduce its one-half interest in said station building, exclusive of the real estate upon which the same is constructed and erected, the sum of $280,000.00.

No .31.

That after a railroad is originally constructed and after the same is turned over to the operating department, improvements are constantly made in the grading and surfacing of the road by section men and by the operating department of the road, the expenditures of which is necessarily charged to the cost of operation and that for approximately five years after such road is turned over to the operating department the grade undergoes what is known as seasoning and after said term of five years said grade has appreciated in value and is approximately of a value 10 per cent. greater than its value would be at the time the same was turned over to the operating department. This seasoned value has, however, been considered and allowed in the unit quantities hereinbefore given, and in the cost of reproduction hereinbefore set out.

That the tunnels remain of approximately the same value and neither appreciate nor depreciate.

That the bridges, trestles and culverts depreciate annually, wooden bridges materially and iron bridges but slightly.

That the present value of the bridges, trestles and culverts along the main line of the Great Northern Railway Company is approximately 81.43 per cent., and on the branch lines is approximately 53 per cent. of the cost of reproducing new.

That the ties, untreated, have an average life of approximately

7 years, and that as the same are renewed from time to time the expense is charged to operating expenses. That the Great Northern Railway Company have from time to time renewed their ties and the value of the ties on the 30th day of June, 1906, was approximately 35 per cent. of the cost of reproducing the same new.

That since the 30th day of June, 1906, the Great Northern Railway Company have added many new ties to their line so that the present value of the ties exceeds the allowance made on the 30th day of June, 1906.

That the rails, track fastenings and frogs and switches have depreciated so that the present value of the same is approximately 80 per cent. of the cost of reproducing the same new.

That the present value of fencing is approximately 55 per cent. of the cost of reproducing the same new.

That the present value of crossings, cattle guards and signs is approximately 60 per cent. of their value new.

That the interlocking and signal apparatus, telegraph lines, ballast, and track laying and surfacing is of equal value to its original cost.

That the present value of the transportation department buildings and fixtures is approximately 92 per cent. of their value new.

That the present value of the shops, round houses and turn tables is approximately 84 per cent. of their value new.

That the value of the road department buildings is approximately 76 per cent. of their value new.

That the value of the shop machinery and tools is approximately 65 per cent. of their value new.

That the value of the water and fuel stations is approximately 60 per cent. of their value new.

That the value of the miscellaneous structures is approximately 85 per cent. of their value new.

That the value of the section equipment is approximately 70 per cent .of its value new.

No. 32.

That it would cost to reproduce that portion of the line operated by the Great Northern Railway Company extending from the Idaho-Washington boundary line to Everett, and that portion from Seattle to Blaine, including the portion from Belleville to Yukon, including all structures and improvements, and considering such structures and improvements as new, and including all real estate and terminal grounds, including charges for engineering, grading, tunneling, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, interlocking and signal apparatus, telegraph lines, station buildings and fixtures, shops, round houses and turn tables, shop machinery and tools, water stations, fuel stations, storage warehouses,

miscellaneous structures, docks and wharves, snow protection, taxes during construction, section equipment, legal and general expenses, interest during construction and present stores on hand, but not including equipment, the sum of $45,741,928.55.

No. 33.

That the present value of the property mentioned in finding No. 32 in its present depreciated condition, as of the 30th day of June, 1906, basing the same solely upon the cost of reproducing the same new, is the sum of $43,295,748.09.

No. 34.

That that portion of the line operated by the Great Northern Railway Company extending from Anacortes to Rockport, would cost to reproduce new, including all items mentioned in finding No. 32, the sum of $1,903,920.58.

No. 35.

That the present value of the property mentioned in finding No. 34 in its present depreciated condition, based solely on the cost of reproducing the same new, is the sum of $1,647,038.44.

No. 36.

That it would cost to reproduce that portion of the line extending from Spokane to Hillyard, and Colbert to Boundary, and from Northport of Velvet, including all the items mentioned in finding No. 32, considering the improvements and structures as new, the sum of $3,310,457.52.

No. 37.

That the present depreciated value of the property mentioned in the foregoing finding, basing such value solely on the cost of reproducing the same new, is the sum of $2,903,657.81.

No. 38.

That it would cost to reproduce that portion of the line operated by the Great Northern Railway Company extending from Marcus to Laurier and from Republic to the International boundary line, and from Curlew to the International boundary line, including all items mentioned in finding No. 32, considering the structures and improvements as new, the sum of $3,017,649.86.

No. 39.

That the present depreciated value of the property mentioned in the foregoing finding, basing the same solely upon the cost of reproducing the same new, is the sum of $2,747,081.41.

No. 40.

That it would cost to reproduce in its present condition, considering the tracks and improvements as new, all the lines operated by the

Great Northern Railway Company in the state of Washington, as the same existed on June 30th, 1906, and including therein all the items mentioned in finding No. 32, and including equipment, the sum of $58,671,559.04.

No. 41.

That the present depreciated value of all the lines in the state of Washington operated by the Great Northern Railway Company, including equipment, such value being based solely on the cost of reproducing the same new, as the same existed on the 30th day of June, 1906, is the sum of $53,887,079.50.

No. 42.

That the Great Northern Railway Company expended in the state of Washington, for betterments and improvements on their line between the 30th day of June, 1906, and the 30th day of June, 1907, the sum of $371,083.31.

No. 43.

That during the fiscal year ending June 30th, 1908, the Great Northern Railway Company constructed and placed in operation 20.64 miles of road extending from Oroville, Washington, to the International Boundary, on which it expended the sum of $616,634.00; that during said year it constructed an ocean dock 196 by 1810 feet floor area with grain warehouse and elevator connected therewith 144 by 792 feet floor area at Everett, and erected at Smith's cove, Seattle, a detention house 60 by 90 feet floor area; that during said year it enlarged its terminals at Seattle by building a commissary building 31 by 144 feet floor area and erecting and constructing a power house with a plant for heating the Union Passenger station jointly owned by it and the Northern Pacific Railway Company as aforesaid, and erected certain miscellaneous structures consisting of scrap bins, car cleaners and repairers buildings with sheds connected therewith and a standard section house; that during said year said railroad laid 6.22 miles of second track between Metum and Richmond Beach on the Coast Line and enlarged the round house at Leavenworth by constructing four additional stalls; 4,855 lineal feet of seawall was constructed between Everett and Ballard, Washington;

That in addition to the foregoing betterments and improvements added during said year to said line the following equipment was purchased during the fiscal years 1907 and 1908 and charged to cost of road, that is to say, during the year 1907, locomotives, $2,865,190.44; passenger cars, $490,505.60; sleeping, dining and parlor cars, $5,363.18; baggage, express and postal cars, $139,805.06; and other cars of all classes, $2,490,668.50; making a total new equipment added to the entire line of the Great Northern Railway for said year 1907 of the sum of $5,991,532.75.

And that during the fiscal year ending June 30th, 1908, there was added new equipment to the entire line of the Great Northern

Railway as follows; there was expended for locomtives the sum of $2,499,326.91; for passenger cars, $993,249.90; for freight cars, $3,403,-229.32; and for work equipment, $84,464.20.

That it would cost to reproduce new all the items mentioned in finding No. 40, as of the 30th day of June, 1908, the sum of $61,674,557.01.

No. 44.

That for the sake of brevity the words interstate freight and interstate tonnage, and state freight and state tonnage, are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of the said road beyond the limits of the state; or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state, passing over the said lines of said railroad without the state and over the lines of said railroad within the state; or, freight originating within the state of Washington, destined to points within the state of Washington but passing over the line of the said railroad both within and without the state.

State freight or tonnage as hereinafter used is freight originating on the lines of the railroad within the state of Washington, destined to points within the state of Washington, and passing over the lines of the said railroad wholly within the state.

Interstate passengers are passengers traveling on a continuous contract with said railroad company, over its lines, both within and without the state.

State passengers are passengers traveling over the said lines on continuous contracts on the lines wholly within the state of Washington.

No. 45.

That for the fiscal year ending June 30th, 1903, the Great Northern Railway Company carried over its lines in the state of Washington 203,171,520 ton miles of interstate freight and 77,590,262 ton miles of state freight.

That for the fiscal year ending June 30th, 1904, the Great Northern Railway Company carried over its lines in the state of Washington, 173,437,773 ton miles of interstate freight and 89,031,790 ton miles of state freight.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company carried over its lines in the state of Washington, 237,942,642 ton miles of interstate freight and 81,058,283 ton miles of state freight.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington

341,879,816 ton miles of interstate freight and 137,967,571 ton miles of state freight.

That for the fiscal year ending June 30th, 1907, the Great Northern Railway Company carried over its lines in the state of Washington 315,334,144 ton miles of interstate freight and 140,976,169 ton miles of state freight.

That the average per cent. of ton miles carried over the said line during the five years above set out is 29.60 per cent. state freight and 70.40 per cent. interstate freight.

That of the ton miles of freight so carried over the lines in the state of Washington above set out, approximately 18.56 per cent. thereof consists of grain, including wheat, oats, flour, barley, feed and flax, of which 88.42 per cent. thereof was state tonnage carried an average distance of 194.9 miles and 11.58 per cent. thereof was interstate freight carried an average distance of 878.9 miles, 695.5 miles of which was over the lines of the said road without the state and 283.4 miles thereof was over the lines of the said road within the state.

That of the said ton miles so carried as aforesaid, approximately 47.74 per cent. thereof consists of lumber, of which lumber 5.74 per cent. thereof was state freight and moved an average distance of 95.7 miles, and 94.26 per cent. thereof was interstate freight moving an average distance of 1324 miles, 1040 miles of which was over the lines of the said road without the state of Washington and 284 miles over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 1.94 per cent. thereof consisted of logs and other forest products, of which 77.27 per cent. thereof is state freight moving an average disatnce of 28.3 miles and 22.73 per cent. thereof was interstate freight moving an average distance of 292.9 miles, 231.8 miles of which was over the lines of the said road without the state of Washington, and 61.1 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 1.77 per cent. thereof consisted of coal, of which 32.26 per cent. thereof was state freight moving an average distance of 70.7 miles, and 67.74 per cent. thereof was interstate freight moving an average distance of 339.3 miles, 278.6 miles of which was over the lines of said road without the state of Washington and 60.7 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately 4.11 per cent. thereof consisted of iron and steel, 1.09 per cent. of which is state freight moving an average distance of 132 miles, and 98.91 per cent. of which is interstate freight moving an average distance of 1634.5 miles, 1376.8 miles of which was over the lines of the said road without the state of Washington, and 257.7 miles of which was over the lines of the said road within the state of Washington.

That of the said ton miles so carried as aforesaid, approximately .79 per cent thereof consists of iron and steel rails, of which 5.5

per cent. thereof was state freight moving an average of 94 miles, and 94.50 per cent. thereof was interstate freight moving an average distance of 1648.7 miles, 1386.3 miles of which was over the lines of said road without the state and 252.4 miles of which was over the lines of said road within the state.

That of said ton miles so moved as aforesaid, .36 per cent. thereof consisted of live stock, of which 75.72 per cent. thereof was state freight moving an average distance of 223.1 miles, and 24.28 per cent. thereof was interstate freight moving an average distance of 694.6 miles, 848.4 miles of which was over the lines of said road without the state of Washington, and 116.2 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .35 per cent. thereof consisted of hay, 98.62 per cent. of which was state freight moving an average distance of 96.6 miles, and 1.38 per cent. thereof was inter state freight moving an average distance of 94.5 miles, 47.5 miles of which was over the lines of the said company without the state of Washington and 47 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 1 per cent thereof consisted of machinery, 6.61 per cent. of which was state freight moving an average distance of 82.4 miles, and 93.39 per cent. of which was interstate freight moving an average distance of 1631.7 miles, 1361.1 miles of which was over the lines of the said road without the state of Washington and 315.6 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .13 per cent. thereof consisted of fresh meat, 38.91 per cent. of which was state freight moving an average of 62.5 miles, and 68.02 per cent. thereof was interstate freight moving an average distance of 1280.5 miles, 1038.2 miles of which was over the lines of the said road without the state of Washington, and 242.3 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .43 per cent. thereof consisted of packing house products, 1.57 per cent of which was state freight moving an average distance of 306 miles, and 98.43 per cent. thereof was interstate freight moving an average distance of 1787.8 miles, 1438.1 miles of which was over the lines of said road without the state of Washington and 349.7 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 1 per cent. thereof consisted of canned salmon, 7.44 per cent. of which was state freight moving an average distance of 184.3 miles, and 92.56 per cent. thereof was interstate freight moving an average distance of 1748.8 miles, 1369.7 miles of which was over the lines of the said road without the state and 372.1 miles of which was over the lines of the said company within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .23 per cent. thereof consisted of butter, eggs and cheese, 2.67 per cent. of which was state freight and moved an average distance of 335 miles, and 91.33 per cent. thereof was interstate freight moving an average distance of 1752.6 miles, 1400.6 miles of which was over the lines of the said road without the state of Washington, and 352.6 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .34 per cent. thereof consisted of brick and stone, 66.58 per cent. of which was state freight moving an average distance of 40 miles, and 33.42 per cent. thereof was interstate freight moving an average distance of 148.4 miles, 81.1 miles of which was over the lines of the said company without the state of Washington, and 67.3 miles of which was over the lines of said company within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .42 per cent. thereof consisted of lime, cement and plaster, of which 51.11 per cent. thereof was state freight moving an average distance of 172.2 miles, and 48.89 per cent. thereof was interstate freight moving an average distance of 562.9 miles, 297.3 miles of which was over the lines of said road without the state of Washington, and 265.6 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .17 per cent. thereof consisted of sand and gravel, of which 71.72 per cent. thereof was state freight moving an average distance of 17.7 miles, and 28.28 per cent. thereof was interstate freight moving an average distance of 1579.5 miles, 1431 miles of which was over the lines of said road without the state of Washington, and 148.5 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .13 per cent. thereof consisted of fresh fruit, of which 40.25 per cent. thereof was state freight moving an average distance of 159.4 miles, and 59.75 per cent thereof was interstate freight moving an average distance of 730.9 miles, 568.6 miles of which was over the lines of said road without the state of Washington and 162.3 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .07 per cent. thereof consisted of vegetables, of which 7.49 per cent. thereof consisted of state freight moving an average distance of 69.3 miles and 92.51 per cent thereof was interstate freight moving an average distance of 819.1 miles, 777.7 of which was over the lines of the said road without the state of Washington, and 141.4 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .37 per cent. thereof consisted of beer and liquor, 16.13 per cent. of which was state freight moving an average distance of 132.6 miles and

83.87 per cent. of which was interstate freight moving an average distance of 1673.3 miles, 1356.1 miles of which was over the lines of the said road without the state of Washington and 317.2 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately .45 per cent. thereof was furniture, new, all of which was interstate freight moving an average distance of 1673.3 miles, 1346.8 miles of which was over the lines of the said company without the state of Washington, and 274.7 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so moved as aforesaid, approximately 1.29 per cent. thereof consisted of ore, of which 12.98 per cent thereof was state freight moving an average distance of 150 miles, and 87.02 per cent. of which was interstate freight moving 972.6 miles, 745 miles of which was over the lines of the said road without the state of Washington, and 227.6 miles of whicn was over the lines of the said road within the satte of Washington.

That of said ton miles so carried as aforesaid, approximately .03 per cent. thereof consisted of hops, of which all was interstate freight moving an average distance of 1448 miles, 1188.8 miles of which was over the lines of the said road without the state of Washington and 259.2 miles of which was over the lines of the said road within the state of Washington.

That of said ton miles so moved as aforesaid, approximately .27 per cent. thereof consisted of agricultural implements, of which 12.18 per cent. thereof was state freight moving an average distance of 23 miles, and 87.82 per cent thereof was interstate freight moving an average distance of 1396.7 miles, 1205.7 miles of which was over the lines of the said road without the state of Washington and 191 miles of which was over the lines of said road within the state of Washington.

That of said ton miles so carried as aforesaid, approximately 3.47 per cent thereof consisted of less car loads of freight of which 40.01 per cent. thereof was state freight moving an average distance of 84.6 miles and 59.99 per cent of which was interstate freight moving an average distance of 1242.5 miles, 991.3 miles of which was over the lines of said road without the state of Washington and 251.2 miles of which was over the lines of said road within the state of Washington.

That the balance of said ton miles so moved as aforesaid, approximating 14.58 per cent., consisted of miscellaneous car load freight moving under special commodity rates consisting of more than 100 commodities, of which approximately 9.70 per cent. thereof is state freight moving an average distance of 165.1 miles and 90.30 per cent. thereof is interstate freight moving an average distance of 1532.5 miles, 1241.4 miles of which was over the lines of said road without

the state and 291.1 miles of which is over the lines of said road within the state of Washington.

That of said freight hereinbefore referred to, the average net weight of the freight per car, designated in tons, is as follows:

On wheat, state, 35.08 tons per car; interstate, 31.08 tons per car.

Flour, state, 23.5 tons per car; interstate, 17.3 tons per car.

Feed, state, 14.15 tons per car; interstate, 14.6 tons per car.

Oats, state, 20.82 tons per car; interstate, 28.37 tons per car.

Corn, interstate, 32.98 tons per car.

Barley, state, 25 tons per car.

Fir lumber, state, 20.85 tons per car; interstate, 23.64 tons per car.

Cedar lumber and shingles, state, 16.37 tons per car; interstate, 17.05 tons per car.

Logs and other forest products, state, 29.82 tons per car; interstate, 23.10 tons per car.

Coal, state, 26.36 tons per car; interstate, 30.50 tons per car.

Iron and steel articles, state, 22.20 tons per car; interstate, 24.44 tons per car.

Rails, state, 28.80 tons per car; interstate, 42.74 tons per car.

Live stock, state, 11.16 tons per car; interstate, 11.30 tons per car.

Hay, state, 11.85 tons per car; interstate, 12.20 tons per car.

Machinery, state, 13.93 tons per car; interstate, 17 tons per car.

Fresh meat, state, 10.77 tons per car; interstate, 13.40 tons per car.

Packing house products, state, 13 tons per car; interstate, 13.70 tons per car.

Salmon, canned, state, 23.80 tons per car; interstate, 24.34 tons per car.

Butter, eggs and cheese, state, 14 tons per car; interstate, 12.6 tons per car.

Brick and stone, state, 29.59 tons per car; interstate, 30.20 tons per car.

Lime, cement and plaster, state, 23.31 tons per car; interstate, 20.3 tons per car.

Sand and gravel, state, 23.90 tons per car.

Fresh fruit, state, 12.20 tons per car; interstate, 13.80 tons per car.

Vegetables, state, 11.20 tons per car; interstate, 16.10 tons per car.

Beer and liquors, state, 14.81 tons per car; interstate, 16.29 tons per car.

Furniture, new, interstate, 10.41 tons per car.

Ore, state, 28.20 tons per car; interstate, 30.98 tons per car.

Hops, interstate, 12.30 tons per car.

Agricultural implements, state, 17.70 tons per car; interstate, 21.66 tons per car.

Other commodities in car load lots, state, 17.29 tons per car; interstate, 17 tons per car.

No. 46.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company carried over its lines in the state of Washington

746,875 revenue earning state passengers, constituting 31,305,189 passenger miles, and that said passengers were carried an average distance of 41.91 miles each. That the said passengers paid to the said railway company an average of $1.12131, being an average charge per mile of $.02675.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington, 917,029 revenue earning state passengers, constituting 41,737,908 passenger miles. That said passengers were carried an average distance of 45.51 miles and that the said passengers paid to the said railway company an average of $1.16551, being an average charge per mile of $02561. That for the said fiscal year ending June 30th, 1906, the Great Northern Railway Company carried over its lines in the state of Washington 147,379 revenue earning interstate passengers, constituting 21,145,473 passenger miles, said interstate passengers being carried an average distance of 144 miles, and said passengers paying on an average to said railway company $2.97 each, being an average charge per mile of $.02075.

That for the fiscal year ending June 30th, 1907, the Great Northern Railway Company carried over its lines in the state of Washington, 1,099,382 revenue earning state passengers, constituting 48,034,795 passenger miles, said passengers being carried an average distance of 43.7 miles, and the said passengers paying to the said railway company an average of $1,171, being an average charge per mile of $.02686, and the said railway company carried over its lines in the state of Washington, 161,579 revenue earning interstate passengers, constituting 23,226,816 passenger miles, and that said passengers were carried an average distance of 143 miles, the said passengers paying to the said company an average of $3.04 each, being an average charge per mile of $.02118.

No. 47.

That the Great Northern Railway Company has a contract with the express company doing business over its lines by which it received 40 per cent. of the gross receipts of said express company, whether such business is state or interstate.

That for the fiscal year ending June 30th, 1906, the said express company paid to the said Great Northern Railway Company as its share of the earnings from the express business over its lines in the state of Washington, $79,919.45, $24,343.46 of which was for interstate express business and $55,575.99 was for express business passing over its lines wholly within the state of Washington.

That for the fiscal year ending June 30th, 1907, the said express company paid to the Great Northern Railway Company under said contract, $102,045.81, which includes the business done on the lines in the state of Washington, both state and interstate.

That the Commission is unable from the evidence before it to apportion the same between state and interstate business save and

except as the same may be ascertained from the division for the year 1906.

No. 48.

That for the fiscal year ending June 30th, 1905, the Great Northern Railway Company received from baggage storage charges local to the state of Washington, the sum of $3,216.53.

That for the fiscal year ending June 30th, 1906, said railway company received from baggage storage and excess baggage local to the state of Washington, the sum of $4,132.37. That the said railway company during the said fiscal year received a large sum of money from excess interstate baggage charges, which, apportioned to the state of Washington on a mileage basis, would show the revenue received by said road for carrying the same over its lines in the state of Washington, amounting to the sum of $15,786.23.

That for the fiscal year ending June 30th, 1907, the said railway company received from extra baggage and storage local to the state of Washington, the sum of $7,289.91, and during said fiscal year said road received from extra interstate baggage, which, apportioned to the state of Washington on a mileage basis, would amount to the sum of $20,661.69.

No. 49.

That the Great Northern Railway Company has contracts with the United States for carrying mail over its lines. That the said railway company is paid for carrying said mail according to its weight.

The Commission further finds that of the mail carried in the state of Washington, over the lines of the said railroad, 56.73 per cent. thereof in weight was interstate mail and 43.23 per cent. thereof was mail local to the state of Washington.

That during the said fiscal year the United States paid the Great Northern Railway Company for mail passing over its lines in the state of Washington, the sum of $122,145.45.

No. 50.

That for the fiscal year ending June 30th, 1906, the Great Northern Railway Company earned from miscellaneous sources not hereinbefore specified, the following sums:

Net balance on switching	$ 58,528.27
From rents of buildings, lands, etc	14,379.01
For rents of tracks, yards, etc	14,926.35
From wharfage, dockage, etc	21,517.49
Demurrage and storage on freight and similar charges	12,411.02
From lunch stands	4,286.69
Miscellaneous earnings from telegraph and telephone lines	356.93
Observation and sleeping cars, passing over the lines in the state of Washington, wholly within the state of Washington	18,933.17
From interstate observation and sleeping cars, basing the same on a mileage basis, said company earned in the state of Washington	46,129.27

No. 51.

That on that portion of the line operated by the Great Northern Railway Company known as the Spokane Falls & Northern proper, there was carried for the fiscal year ending June 30th, 1905, over the lines of the said road, 475,198 tons of revenue earning freight, constituting 28,339,521 ton miles, said ton miles of freight being carried an average distance of 59.64 miles.

That for the fiscal year ending June 30th, 1906, there was carried over the said Spokane Falls & Northern, 460,573 tons, constituting 29,779,554 ton miles, said freight being hauled an average distance of 64.66 miles.

That for the fiscal year ending June 30th, 1907, there was carried over the said lines, of revenue earning freight, 504,716 tons, constituting 32,930,545 ton miles. That of said ton miles so carried as aforesaid, 1.44 per cent. thereof was grain, of which 71.94 per cent. thereof was state grain moving an average distance of 72.36 miles, and 28.06 per cent thereof was interstate, moving an average distance of 123.70 miles.

That of said ton miles so moved as aforesaid, 15 per cent thereof was lumber, of which 65.53 per cent. was state freight moving an average distance of 36.23 miles, and 34.47 per cent. thereof was interstate freight moving an average distance of 50.61 miles.

That of said ton miles so carried as aforesaid, 15.65 per cent. consisted of logs and other forest products other than lumber, of which 84.01 per cent. was state freight, being hauled an average distance of 36.77 miles, and 15.99 per cent. thereof was interstate freight, moving an average distance of 85.63 miles.

That of said ton miles so moved as aforesaid, 36.79 per cent. thereof was coal and ore, all of which was interstate, moving an average distance over the said lines of 89.72 miles.

That of said ton miles so moved as aforesaid, 5.26 per cent. thereof consisted of freight in less than car load, 64.29 per cent of which was state freight moving an average distance of 69.91 miles, and 35.71 per cent. of which was interstate freight moving an average distance of 91.30 miles.

That the remainder of said ton miles consisted of mixed merchandise other than merchandise above mentioned and consisted of innumerable commodities carried at commodity rates, amounting to 25.86 per cent thereof, of which 34.67 per cent was state freight moving an average distance of 63.60 miles, and 65.37 per cent. thereof was interstate freight moving an average distance of 86.94 miles.

No. 52.

That for the fiscal year ending June 30th, 1905, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 126,670 revenue earning state passengers, constituting 6,313,175 passenger miles; that said passengers were carried an average distance of 49.84 miles; that the said passengers paid to the said

railway company an average of $1.78519, being an average charge per mile of $.03582.

That for the fiscal year ending June 30th, 1906, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 141,286 revenue earning passengers, constituting 7,911,744 passenger miles and that said passengers were carried an average distance of 56 miles each; that the said passengers paid to the said railway company an average of $1.74485 per passenger, being an average charge per mile of $.03116.

That for the fiscal year ending June 30th, 1907, the Spokane Falls & Northern Railway Company carried over its lines in the state of Washington, 199,457 revenue earning passengers, constituting 10,894,608 passenger miles; that said passengers were carried an average distance of 54.62 miles; that said passengers paid to the said railway company an average of $1.51631 per passenger, being an average charge per mile of $.02776.

No. 53.

That the said Spokane Falls & Northern Railway Company during the fiscal years ending June 30th, 1905, 1906 and 1907, had a contract with the Great Northern Express Company doing business over its lines, by which said company received 50 per cent. of the gross earnings for carrying express over the lines of the said railroad company.

That for the fiscal year ending June 30th, 1905, the earnings of the said Spokane Falls & Northern Railway Company from express business amounted to the sum of $13,297.60.

That for the fiscal year ending June 30th, 1906, the earnings of the said railway company from express business amounted to the sum of $14,084.14.

That for the fiscal year ending June 30th, 1907, the said railway company received for the carrying of express over its lines the sum of $18,357.17.

No. 54.

That during the said three years ending June 30th, 1905,-1906,-1907, the Spokane Falls & Northern Railway Company had contracts with the United States for carrying the mail over its lines and that the said railway company was paid for carrying said mail according to the weight.

That for the fiscal year ending June 30th, 1905, the said railway company earned from carrying mail the sum of $20,133.58.

That for the fiscal year ending June 30th, 1906, the said railway company earned for carrying mail the sum of $20,172.12.

That for the fiscal year ending June 30th, 1907, the said railway company earned for carrying mail the sum of $21,167.68.

No. 55.

That for the fiscal year ending June 30th, 1905, the Spokane Falls & Northern Railway Company received from baggage storage charges the sum of $2,497.88.

That said company received from other items connected with transportation the sum of $6,501.03.

That said company had for said year a car per diem and mileage balance of $10,621.25.

That said company received from rents not otherwise provided for, the sum of $5,050.85.

That said company received from other sources not before specified, the sum of $2,413.21.

That for the fiscal year ending June 30th, 1906, the said company received from extra baggage and storage, $2,632.70.

That said company received from other items connected with transportation the sum of $4,902.55.

That said company received from other items connected with freight revenue, $3,357.04.

That said company received from car per diem and mileage balance the sum of $1,675.16.

That said company received from rents not otherwise specified, the sum of $3,749.81.

That said company received from other sources than as above specified, $147.98.

That for the fiscal year ending June 30th ,1907, the said company received from extra baggage and storage the sum of $2,936.18.

That said company received from other items connected with passenger service the sum of $6,089.25.

That said company received from other items connected with freight service, the sum of $6,648.98.

That said company received from rents not otherwise provided for, the sum of $4,278.85.

That said company received from other sources not connected with transportation, the sum of $1,975.01.

No. 56.

That on that portion of the line operated by the Great Northern Railway Company known as the Washington & Great Northern Railway Company, there was carried for the fiscal year ending June 30th, 1905, 85,102 tons of revenue earning freight, constituting 2,297,854 ton miles, said freight moving an average distance of 27 miles.

That for the fiscal year ending June 30th, 1906, there was moved over the said line 171,944 tons of revenue earning freight, constituting 4,699,548 ton miles, which freight was carried an average distance of 27.33 miles.

That for the fiscal year ending June 30th, 1907, there was carried over said line 201,486 tons of revenue earning freight, constituting 7,052,416 ton miles, said freight being moved an average distance of 35.10 miles.

That of said ton miles so moved as aforesaid, approximately .68 per cent. thereof consisted of grain, of which 21.49 per cent. was state freight, moving an average distance of 17.81 miles, and 78.51 per

cent. thereof was interstate freight moving an average distance of 37.53 miles.

That of said ton miles so moved as aforesaid, approximately 1.59 per cent thereof consisted of lumber, of which 74.96 per cent. was state freight moving an average distance of 22.64 miles, and 25.04 per cent. thereof was interstate freight moving an average distance of 24.66 miles.

That of said ton miles so moved as aforesaid, approximately 1.22 per cent. thereof consisted of forest products other than lumber, of which 41.76 per cent. thereof was state freight moving an average distance of 28.93 miles, and 58.24 per cent. thereof was interstate freight moving an average distance of 15.62 miles.

That of said ton miles so carried as aforesaid, approximately 45.63 per cent. thereof was coal and coke, all of which was interstate freight, and moved an average distance of 22.29 miles.

That of said ton miles so moved as aforesaid, approximately 5.68 per cent thereof consisted of merchandise in less than car load, 59.03 per cent. of which was state freight moving an average distance of 49.23 miles, and 40.97 per cent. thereof was interstate freight moving an average distance of 39.21 miles.

That of said ton miles so moved as aforesaid ,approximately 25 per cent. thereof consisted of ore, all of which was interstate and moved an average distance of 23.22 miles.

That the remaining ton miles so moved as aforesaid, consisted of miscellaneous freight covering a great number of commodities, amounting to approximately 20.20 per cent. thereof, which is here classified as other car loads, and which was moved an average distance of 50 miles.

No. 57.

That for the fiscal year ending June 30th, 1905, the Wahsington & Great Northern Railway Company carried over its lines in the state of Washington, 37,693 passengers, constituting 889,861 passenger miles; that said passengers were carried an average distance of 23.61 miles; that said passengers paid to the said railway company an average of $.17103, being an average charge per mile of $.04113.

That for the fiscal year ending June 30th, 1906, the said railway company carried over its lines in the state of Washington 53,813 passengers, constituting 1,228,863 passenger miles, said passengers being carried an average distance of 22.83 miles; that the average amount received from each passenger was $1.02609, making an average charge per mile of $.04493.

That for the fiscal year ending Jnue 30th, 1907, the said company carried over its lines in the state of Washington, 66,642 passengers, constituting 2,013,580 passenger miles, said passengers being carried an average distance of 30.21 miles; that the average amount paid by each passenger was the sum of $.96081, being an average charge per mile of $.0318.

No. 58.

That the Washington & Great Northern Railway Company had a contract with the Great Northern Express Company for carrying express over its lines for the fiscal years ending June 30th, 1905-1906-1907.

That for the fiscal year ending June 30th, 1905, the said railway company received for carrying express over its lines $1,198.94.

That for the fiscal year ending June 30th, 1906, the said railway company received for carrying express over its lines $2,232.04.

That for the fiscal year ending June 30th, 1907, the said railway company received for carrying express over its lines $2,780.43.

No. 59.

That for the fiscal year ending June 30th, 1905, the said Washington & Great Northern Railway Company received for carrying mail over its lines the sum of $2,605.22.

That for the fiscal year ending June 30th, 1906, the said railway company received for carrying mail over its lines the sum of $2,862.99.

That for the fiscal year ending June 30th, 1907, the said railway company received for carrying mail over its lines the sum of $6,938.82.

No. 60.

That for the fiscal year ending June 30th, 1905, the said Washington & Great Northern Railway Company received from charges for extra baggage and storage the sum of $262.98.

And from other sources not connected with revenue, $150.20.

That for the fiscal year ending June 30th, 1906, the said Washington & Great Northern Railway Company received from charges for extra baggage and storage the sum of $286.92.

For miscellaneous tiems connected with freight earnings the sum of $277.18.

For rents the sum of $11.00.

That for fiscal year ending June 30th, 1907, the said railway company received from extra baggage and storage $358.51.

From miscellaneous items connected with passenger revenue the sum of $71.44.

From miscellaneous items connected with freight revenue the sum of $491.77.

From rents $83.50.

No. 61.

That on that portion of the line operated by the Great Northern Railway Company known as the Columbia & Red Mountain Railway Company, there was moved for the fiscal year ending June 30th, 1905, 158,233 tons of revenue earning freight, constituting 1,028,515 ton miles, moving an average distance of 6.50 miles.

That for the fiscal year ending June 30th, 1906, there was carried over the said line 68,144 tons of revenue earning freight, constituting 483,800 ton miles, carried an average distance of 7.10 miles, (there

being carried for the year 1906, approximately 90,000 tons of ore less than in 1905.)

That for the year ending June 30th, 1907, there was carried over the said lines 93,178 tons, constituting 650,246 ton miles, carried an average distance of 6.97 miles.

That said line, as before stated, extends from Northport to the International boundary where it connects with a line extending to Rossland, B. C. That practically all the freight moving over said line is interline freight, practically none originating on the line of the Columbia & Red Mountain, and was practically international in its character.

No. 62.

That for the fiscal year ending June 30th, 1905, the Columbia & Red Mountain Railway Company carried over its lines in the state of Washington 13,273 passengers, constituting 99,680 passenger miles; that said passengers were carried an average distance of 7.51 miles; that the said passengers paid to the said railway company an average of $.28696, being an average charge per mile of $.03821.

That for the fiscal year ending June 30th, 1906, the said railway company carried over its lines in the state of Washington, 13,780 passengers ,constituting 103,480 passenger miles; that said passengers were carried an average distance of 7.51 miles; that said passengers paid an average of $.27194 per passenger, being an average charge per mile of $.03717.

That for the fiscal year ending June 30th, 1907, the said railway company carried over its lines in the state of Washington 15,009 passengers, constituting 112,718 passenger miles; that said passengers were carried an average distance of 7.51 miles; that said passengers paid said railway company an average of $.27999, being an average charge per mile of $.03728.

No. 63.

That during the said years the Columbia & Red Mountain Railway Company had a contract with the Great Northern Express Company for operating over its lines, by which each company received 50 per cent. of the gross earnings.

That said company received from the express business over its lines for the year ending June 30th, 1905, the sum of $495.40; for the year ending June 30th, 1906, the sum of $488.51, and for the year ending June 30th, 1907, the sum of $591.90.

That during the said time the said company received for the carrying of mail for the fiscal year ending June 30th, 1905, the sum of $738.88; for the fiscal year ending June 30th, 1906, the sum of $729.59, and for the fiscal year ending June 30th, 1907, the sum of $568.53.

That said railway company received from charges for excess baggage and storage for the year ending June 30th, 1905, the sum of $52.92; for the fiscal year ending June 30th, 1906, the sum of $50.13, and for the fiscal year ending June 30th, 1907, the sum of $54.12.

That during such time it received from other sources not connected with transportation for the fiscal year ending June 30th, 1905, the sum of $41.76; for the fiscal year ending June 30th, 1906, the sum of $132.18, and for the fiscal year ending June 30th, 1907, the sum of $207.37.

No. 64.

That as hereinbefore stated the Great Northern Railway Company was an operating company, controlling the lines operated by it through contracts and leases, or by virtue of owning the capital stock, or a majority of the capital stock and muniments of title of the companies and roads operated by it down to Nov. 1, 1907.

That the said Great Northern Railway Company operated the following described roads, to-wit:

The Seattle & Montana Railroad Company, with a mileage of 215.99 miles.

The Crows Nest Southern Railway Company, with a mileage of 199.66 miles.

The St. Paul, Minneapolis & Manitoba Railway Company, with a mileage of 3,875.23 miles.

The Park Rapids & Leech Lake Railway Company with a mileage of 49.04 miles.

The Dakota & Great Northern Railway Company, with a mileage of 282.35 miles.

The Minnesota & Great Northern Railway Company, with a mileage of 41.09 miles.

The Duluth, Superior & Western Terminal Company, with a mileage of 5.28 miles.

The Eastern Railway Company of Minnesota, with a mileage of 486.89 miles.

The Montana & Great Northern Railway Company, with a mileage of 142.99 miles.

The Duluth Terminal Company, with a mileage of 1.82 miles.

The Minneapolis Union Railway Company, with a mileage of 2.63 miles.

The Spokane Falls & Northern Railway Company, with a mileage of 130.51 miles.

The Red Mountain Railway Company, with a mileage of 9.59 miles.

The Columbia & Red Mountain Railway Company, with a mileage of 7.5 miles, and

The Washington & Great Northern Railway Company, with a mileage of 89.90 miles.

The Great Northern Railway Company also has trackage rights from Casselton to Fargo, 19.06 miles, and from Tilden Junction to Red Lake Falls, Minn., with a mileage of 10.57 miles, and from Lowell, Wash., to Delta, Wash., with a mileage of 2.75 miles.

Making a total mileage operated by it of 5,562.75 miles.

That the Seattle & Montana Railway Company was organized with a capital stock of $14,000,000.00, all of which, with the exception of

$450,000 worth, par value, is owned by the Great Northern Railway Company.

The entire capital stock of the Crows Nest Southern Railway Company is owned by the Great Northern Railway Company, as before stated.

That the St. Paul, Minneapolis & Manitoba Railroad Company was organized with a capital stock of $20,000,000.00, $19,664,000.00 par value of said capital stock being owned by the Great Northern Railway Company.

That the Park Rapids & Leech Lake Railway Company was organized with a capital stock of $500,000.00, all of which is owned by the Great Northern Railway Company.

That the Eastern Railway Company of Minnesota was organized with a capital stock of $16,000,000.00, $11,000,000.00 of which is owned by the Great Northern Railway Company and $5,000,000.00 of which is owned by the said railway company as trustee for the benefit of the stockholders of the St. Paul, Minneapolis & Manitoba Railway Company.

That The Montana & Great Northern Railway Company was organized with a capital stock of $7,000,000.00, all of which is owned by the Great Northern Railway Company.

The Minneapolis & Union Railway Company was organized with an authorized capital stock of $1,000,000.00, $500,000.00 of which has been issued and is owned by the Great Northern Railway Company.

The Spokane Falls & Northern Railway Company was organized with a capital stock of $2,812,000.00, of which $2,809,000.00 is owned by the Great Northern Railway Company.

That the Nelson & Fort Sheppard Railway Company was organized with a capital stock of $1,500,000.00, all of which is owned by the Great Northern Railway Company.

The Red Mountain Railway Company was organized with a capital stock of $190,600.00, all of which is owned by the Great Northern Railway Company.

That the Columbia & Red Mountain Railway Company was organized with a capital stock of $264,400.00, all of which is owned by the Great Northern Railway Company.

That the Dakota & Great Northern Railway Company was organized with a capital stock of $2,000,000.00, all of which is owned by the Great Northern Railway Company.

That the Washington & Great Northern Railway Company was organized with a capital stock of $2,000,000.00, all of which is owned by the Great Northern Railway Company.

That the Minnesota & Great Northern Railway Company was organized with an authorized capital stock of $2,500,000.00. All advances for construction have been made by the Great Northern Railway company and stock will be issued to and controlled by it.

That the Duluth, Superior & Western Terminal Company was organized with a total capital stock of $2,000,000.00. The Great

Northern Railway Company is the lessee of said road for 99 years from May 1st, 1902, at an annual rental of $20,000.00 and taxes.

That the funded or mortgage indebtedness on the lines hereinbefore mentioned, the payment of which mortgage indebtedness has been guaranteed by the Great Northern Railway Company and which is outstanding and in the hands of the public, amounts to the sum fo $100,227,939.39, and is made up as follows:

$6,470,000.00 mortgage bonds of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 6 per cent. and falling due October 1st, 1909.

$4,930,000.00 of the Dakota extension of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 6 per cent. and falling due in 1910.

$13,345,000.00 of the St. Paul, Minneapolis & Manitoba Railroad Company consolidated mortgage, falling due July 1st, 1933, bearing interest at 6 per cent., and $19,250,000.00 of the same mortgage bearing interest at 4 per cent.

$10,185,000.00 of the Montana extension of the St. Paul, Minneapolis & Manitoba Railroad Company, bearing interest at 4 per cent and falling due June 1st, 1937.

$19,393,939.39 of the Pacific extension mortgage of the St. Paul, Minneapolis & Manitoba Railroad Company, being 50 year sterling bonds maturing July 1st, 1940, and bearing interest at 4 per cent.

$4,700,000.00 bonds of the Eastern Railway Company of Minnesota First division, falling due July 1st, 1908, bearing interest at 5 per cent.

$5,000,000.00 bonds of the Eastern Railroad Company of Minnesota, Northern division, bearing interest at 4 per cent and falling due July 1st, 1948.

$6,000,000.00 bonds of the Montana Central Railway Company, bearing interest at 6 per cent., and $4,000,000.00 of said company, bearing interest at 5 per cent, said two sums maturing July 1st, 1937.

$3,646,000.00 of bonds of the Willmar & Sioux Falls Railway Company, bearing interest at 5 per cent. and falling due June 1st, 1938.

$2,150,000.00 of Minneapolis Union Railway Company bonds, bearing interest at 6 per cent., and $650,000.00 of said mortgage bonds, bearing interest at 5 per cent., maturing July 1st, 1922.

$500,000.00 bonds of the Minneapolis Western Railway Compayn, bearing interest at 5 per cent. and maturing July 1st, 1911.

That the capital stock of the Great Northern Railway Company consists of 2,100,000 shares of the par value of $100.00 each, constituting $210,000,000.00 worth par value, of which $149,577,300.00 has been issued and $60,000,000.00 par value has been authorized to be issued.

That the stock of the Great Northern Railway Company has sold as expressed in the figures hereinafter given, the first figures showing the lowest price paid during the month and the second figures showing the highest price paid during such month.

For the year 1903:		
January	200¾	209
February	200	208
March	200	209
April	190	...
May	189½	...
July	173	190
August	165	175
September	170	...
October	160	165
November	168	...
For the year 1904:		
January	177	...
March	170	186
April	173	180
May	175	...
July	175	180
October	185	195
November	196	230
December	216	243½
For the year 1905:		
January	236	254
February	250	300
March	290	310
April	270	335
May	265	296
June	278	284
July	281	294½
August	287	326
September	311½	327¾
October	314	327½
November	264	315
December	268	292
For the year 1906:		
January	283	326⅞
February	305½	348
March	308½	327
April	382	327½
May	275	307⅜
June	278½	309
July	275	298¼
August	293¼	324
September	324	341
October	314	338¼
November	314	333½
December	320	...

For the year 1907:		
January	164	189¾
February	159	171¼
March	126	163½
May	123	138½
June	122	132½
July	130	138⅜
August	114	133¼
September	123⅝	132
October	107½	131¼
November	109	116⅜
December	112⅝	122¼

That the bonds represented in the bond issue of $6,470,0000.00 of 6 per cent. bonds maturing in 1909, and $4,439,000.00 maturing in 1910, of the St. Paul, Minneauolis & Manitoba Railway Company, sold in the open market as follows:

For the year 1903:		
January	113⅛	...
February	113⅛	...
September	110¼	...
December	110⅜	...
For the year 1904:		
February	110½	...
April	107⅝	...
May	109	...
July	110¼	...
August	110¼	111
September	111⅝	112
October	109½	109¾
November	110	110⅜
December	110¾	...
For the year 1905:		
January	110½	111
May	108⅜	...
July	113	...
October	107⅞	108
November	108	...
December	108¼	...
For the year 1906:		
March	109¼	109½
April	106¼	...
September	108	...
November	105¼	...
For the year 1907:		
January	105½	105⅝
May	103	...

June	103⅜	...
December	101	...

That the bonds represented by the $13,344,000.00 issue bearing interest at 6 per cent, included in the $32,594,000.00 consolidated bond issue of the St. Paul, Minneapolis & Manitoba Railroad Company sold in the open market as follows:

For the year 1903:		
January	134½	135½
February	134½	134¾
April	131½	132½
May	132½	133⅛
June	132	...
July	127¼	127⅝
September	128	...
October	128¼	131¾
November	132¼	...
December	133	...
For the year 1904:		
January	130	131
February	130⅝	131
March	131	132
June	132	...
July	132⅛	132¼
August	133½	133¾
September	134	134⅜
October	134⅝	...
For the year 1905:		
February	137	...
March	137	138
April	136	137
June	139	...
July	138¼	...
August	138¼	...
September	139	...
October	139¼	140
November	139¾	...
December	139⅛	...
For the year 1906:		
January	136¼	137½
February	137⅛	137½
May	133¾	...
June	133½	...
October	133	...
November	133⅞	...

For the year 1907:		
January	131	...
March	131	...
April	131	...
May	131	...
June	130	...
October	125	...
November	119	...

That the bonds represented by the issue of $19,250,000.00 worth contained in said $32,594,000.00 bond issue last mentioned, sold in the open market as follows:

For the year 1903:		
January	110¾	111½
February	111	111¼
April	109	110½
May	111	...
June	110¼	110⅞
July	108	...
August	107	...
September	108	...
October	108	108¾
November	110½	...
December	109½	110
For the year 1904:		
January	107½	108¾
February	107½	...
March	107⅝	...
April	108¼	108½
May	109	...
June	110	...
July	108¾	...
October	111¼	112¾
November	111¾	111⅞
For the year 1905:		
January	112	112¼
February	111¼	...
March	111	111⅝
May	111¾	...
June	113½	113¾
July	111½	...
October	113⅞	115
November	113⅝	113¾
December	113⅝	...
For the year 1906:		
Juanary	112½	...
February	112	...

March	110½	111½
April	110¼	111½
May	110⅝	...
June	111⅛	...
August	107⅝	108
September	107¾	...
October	109¾	...
November	111	...
December	111	...
For the year 1907:		
January	108	108¼
February	108½	...
March	108	108¾
May	107⅝	...
June	107⅝	...
July	105½	...
October	104	...
December	102	103⅞

That the bonds represented in the St. Paul, Minneapolis & Manitoba Montana extension amounting to $10,185,000.00, bearing interest at 4 per cent., sold in the open market as follows:

For the year 1903:		
January	103¼	104
February	102	103
March	102¾	108
April	102½	...
May	102½	...
June	100	...
July	100	101½
August	100	101
September	101	...
October	101	102½
November	101¾	102¼
December	100	101
For the year 1904:		
January	100	101½
February	101	101¼
March	101	101¼
April	101¼	101¾
May	102	103
July	103	...
August	103¼	104
September	103½	...
October	103¾	104
November	104	104½
December	103	103½

For the year 1905:		
January	103½	104
February	104	104½
March	103½	104¾
April	104 4-5	105
June	103	103¼
July	104	...
August	104¼	...
September	104½	...
October	104⅛	105½
November	104½	105¼
December	102⅞	103
For the year 1906:		
January	103½	104¼
February	103⅛	103¼
March	102	...
May	103⅛	...
June	102¼	...
July	100	100⅜
August	101	...
September	100¾	...
November	101	101½
December	100	...
For the year 1907:		
March	97½	...
April	99	100½
May	99⅝	...
June	87⅜	99
July	98¼	98½
August	98½	...
September	97	...
October	96½	...
November	94	94½
December	93¼	93½

That those certain bonds represented by the St. Paul, Minneapolis & Manitoba Pacific extension, aggregating $19,393,939.39, were sterling bonds and sold to and held by residents of the United Kingdom.

That the Commisison has been unable to ascertain any evidence tending to show that said bonds had ever been sold in the market in the United States and the Commission has been unable to ascertain their market value.

That the bonds represented in the issue hereinbefore mentioned of the Eastern Railway Company of Minnesota, First division, for the sum of $4,700,000.00, bearing interest at 5 per cent., have sold in the open market as follows:

For the year 1903:		
February	105¼	...
April	103½	...
May	104	...
July	103	...
August	103	104
For the year 1904:		
August	104½	...
October	102⅝	...
For the year 1905:		
March	104¾	...
August	104⅛	...
September	104¾	...
October	102⅜	...
For the year 1906:		
April	101¼	...
July	101½	...
August	101⅝	...
December	101½	101⅝
For the year 1907:		
May	100½	...
June	100⅜	100½
August	100⅛	...
September	100½	100¾
December	99	...

That those certain bonds for the sum of $6,000,000.00 represented by the bond issue of Montana Central Railroad Company, falling due in 1937, bearing interest at 6 per cent, hereinbefore mentioned, sold in the open market as follows:

For the year 1903:		
January	134	134¼
March	134	...
For the year 1904:		
April	133	135⅝
For the year 1905:		
January	135	...
September	136½	...
For the year 1906:		
January	136	...
February	136	...
May	134	...
June	134¼	...
October	133	...

For the year 1907:		
February	131½	...
April	130	131
August	125	...

That those certain bonds represented by said bond issue last mentioned for $4,000,000.00, bearing interest at 5 per cent., sold in the open market as follows:

For the year 1903:		
May	118½	...
August	110½	115
September	110¼	...
October	114⅞	116½
December	115⅝	121
For the year 1904:		
March	114½	...
September	116¾	...
For the year 1905:		
February	118¼	...
October	120	...
December	119⅝	120
For the year 1906:		
February	119¼	...
March	118⅛	119¼
August	116	...
For the year 1907:		
April	112	...
May	115½	...
December	105	...

That those certain bonds represented by the bond issue of the Willmar & Sioux Falls Railway Company for the sum of $3,646,000.00, bearing interest at 5 per cent., and falling due in 1938, hereinbefore mentioned, sold in the open market as follows:

For the year 1903:		
December	114⅝	...
For the year 1904:		
January	117	...
For the year 1905:		
October	121½	...
For the year 1906:		
December	115½	...

That those certain bonds represented by the issue of the Minnesota Union Railway Company, falling due in 1922, for the sum of $2,150,000.00, bearing interest at the rate of 6 per cent., contained in the issue of $2,800,000.00 above referred to, sold in the open market as follows:

For the year 1905:

April	123	...
May	124	...

That the Commission has been unable to ascertain any evidence showing that any of the remainder of said bonds have sold in the open market, and have been unable to find that the bonds above described have been sold at times other than as above set forth.

No. 65.

The Great Northern Railway Company employed upon its lines in the state of Washington, excluding general officers, the following employees for the years hereinafter named, to whom it paid an average daily wage as follows:

FOR THE YEAR 1905.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	2	723	$5,825 28	$8 06
General office clerks	...	...	...	...
Station agents	62	17,652	40,776 95	2 31
Other station men	286	48,544	91,262 71	1 88
Engimen	93	25,670	110,896 06	4 32
Firemen	115	25,992	70,766 35	2 73
Conductors	107	21,285	79,180 65	3 72
Other trainmen	254	39,212	98,814 00	2 52
Machinists	66	15,126	55,663 78	3 68
Carpenters	49	18,993	49,191 25	2 59
Other shopmen	684	154,337	311,760 31	2 02
	89	29,410	52,643 26	1 79

ADDENDA.

The table showing the wages paid to, the number of days worked by and the average compensation of employees found on page 193 is compiled from the report made to the Railroad Commission by the company. The Interstate Commerce Commission in its rules of instructions to the railroads provided that the number of employees should be determined "from the pay rolls on June 30th, 1908." The number reported probably does not include any employees not on actual duty on said date.

Section foremen	...	...	...	...
Other trackmen	1,624	321,820	511,694 50	1 59
Switch and crossing tenders and watchmen	12	4,802	6,530 48	1 36
Telegraph operators and dispatchers	113	28,861	65,515 43	2 27
All other employes and laborers	702	140,853	298,607 62	2 12
Total	4,204	993,022	$2,068,156 32	2 08

For the year 1907:		
February	131½	...
April	130	131
August	125	...

That those certain bonds represented by said bond issue last mentioned for $4,000,000.00, bearing interest at 5 per cent., sold in the open market as follows:

For the year 1903:		
May	118½	...
August	110½	115
September	110¼	...
October	114⅞	116½
December	115⅝	121
For the year 1904:		
March	114½	...
September	116¾	...
For the year 1905:		
February	118¼	...
October	120	...
December	119⅝	120
For the year 1906:		
February	119¼	...
March	118⅛	119¼
August	116	...
For the year 1907:		

That those certain bonds represented by the issue of the Minnesota Union Railway Company, falling due in 1922, for the sum of $2,150,000.00, bearing interest at the rate of 6 per cent., contained in the issue of $2,800,000.00 above referred to, sold in the open market as follows:

For the year 1905:

April	123	...
May	124	...

That the Commission has been unable to ascertain any evidence showing that any of the remainder of said bonds have sold in the open market, and have been unable to find that the bonds above described have been sold at times other than as above set forth.

No. 65.

The Great Northern Railway Company employed upon its lines in the state of Washington, excluding general officers, the following employees for the years hereinafter named, to whom it paid an average daily wage as follows:

FOR THE YEAR 1905.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	2	723	$5,825 28	$8 06
General office clerks				
Station agents	62	17,652	40,776 95	2 31
Other station men	286	48,544	91,262 71	1 88
Engimen	93	25,670	110,896 06	4 32
Firemen	115	25,992	70,766 35	2 73
Conductors	107	21,285	79,180 65	3 72
Other trainmen	254	39,212	98,814 00	2 52
Machinists	66	15,126	55,663 78	3 68
Carpenters	49	18,993	49,191 25	2 59
Other shopmen	684	154,337	311,760 31	2 02
Section foremen	89	29,410	52,643 26	1 79
Other trackmen	1,692	282,172	395,040 23	1 40
Switch tenders, crossing tenders and watchmen	17	5,588	7,767 04	1 39
Telegraph operators and dispatchers	74	24,496	56,095 28	2 29
All other employes and laborers	524	318,186	731,827 67	2 30
Total	4,114	1,027,316	$2,157,510 82	$2 10

FOR THE YEAR 1906.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	2	811	$6,530 48	8 06
General office clerks				
Station agents	57	21,159	48,030 60	2 27
Other station men	350	70,911	129,766 90	1 83
Enginemen	127	31,398	131,873 51	4 20
Firemen	153	31,244	83,421 58	2 67
Conductors	153	26,161	96,271 88	3 68
Other trainmen	333	57,346	123,868 41	2 16
Machinists	51	20,038	73,941 86	3 69
Carpenters	56	17,349	44,238 72	2 55
Other shopmen	376	185,948	386,772 79	2 08
Section foremen	95	34,321	61,091 56	1 78
Other trackmen	1,624	321,820	511,694 50	1 59
Switch and crossing tenders and watchmen	12	4,802	6,530 48	1 36
Telegraph operators and dispatchers	113	28,861	65,515 43	2 27
All other employes and laborers	702	140,853	298,607 62	2 12
Total	4,204	993,022	$2,068,156 32	2 08

FOR THE YEAR 1907.

CLASS.	Number.	Total days worked.	Total annual compenaation.	Average daily wage.
Other officers	2	821	7,284 66	$8 87
General office clerks				
Station agents	64	21,137	51,575 38	2 44
Other station men	440	90,023	171,043 77	1 90
Enginemen	164	47,393	204,261 81	4 31
Firemen	221	47,672	129,666 91	2 72
Conductors	194	41,430	151,229 50	3 65
Other trainmen	438	75,646	192,897 74	2 55
Machinists	150	29,698	108,687 09	3 66
Carpenters	101	22,201	65,270 53	2 94
Other shopmen	1,396	242,242	500,018 90	2 06
Section foremen	96	35,116	68,475 78	1 98
Other trackmen	2,225	520,896	885,523 01	1 70
Switch tenders, crossing tenders and watchmen	17	5,595	6,993 27	1 25
Telegraph operators and dispatchers	156	34,137	81,588 17	2 39
All other employes and laborers	714	135,209	289,346 61	2 14
Total	6,378	1,349,216	2,913,863 13	$2 16

FOR THE YEAR 1908.

CLASS.	Number.	Total days worked.	Total annual compensation.	Average daily wage.
Other officers	10	3,668	$48,958 25	$13 35
General office clerks	54	23,362	74,453 50	3 19
Station agents	82	22,302	57,762 05	2 59
Other station men	449	87,807	178,247 30	2 03
Enginemen	159	47,840	220,062 75	4 60
Firemen	175	48,530	143,164 80	2 95
Conductors	149	43,390	173,994 85	4 01
Other trainmen	279	77,455	216,973 40	2 80
Machinists	160	35,803	138,558 00	3 87
Carpenters	115	43,113	119 422 10	2 97
Other shopmen	578	325,242	712,280 35	2 19
Section foremen	188	35,943	75,480 45	2 10
Other trackmen	3,515	582,936	1,049,284 65	1 80
Switch tenders, crossing tenders and watchmen	39	10,190	14,752 55	1 45
Telegraph operators and dispatchers	116	39,536	105,956 15	2 68
All other employes and laborers	294	147,627	329,208 30	2 23
Total	6,362	1,574,744	$3,658,459 45	2 32

No. 66.

That from the consideration of the foregoing findings showing the amount expended for original construction of its lines, amount necessary to reproduce the property, its depreciated condition, the amount and value of its capital stock and funded indebtedness, the density of traffic and volume of business along its line, the physical condition and properties along its line, the facilities along its line for the transaction of business, and all and singular the findings hereinbefore set out, the Commission finds that the present cash market value of the lines hereinbefore mentioned and dealt with as being operated by the Great Northern Railway Company in the State of Washington, is the sum of $59,577,212.00.

No. 67.

That the operating divisions of the said railroad for the year 1906, in so far as the same affected the state of Washington, consisted of the Spokane division extending on the main line from Leavenworth, Wash., easterly 387.22 miles, 247.12 miles of which is within the state of Washington, and 140.10 miles of which is outside of the state; the branch lines of said road embraced within said division, being for the year 1906, entirely without the state of Washington, but at the present time said division would include the branch line known as the Spokane Falls & Northern system, which includes the Spokane Falls and Northern and the Columbia and Red Mountain and the Washington and Great Northern lines hereinbefore referred to; and the Cascade division extending on the main line west from Leavenworth to Seattle, Washington, and a branch line extending northerly from Everett to Vancouver, B. C., and the Rockport branch extending easterly from Anacortes to Rockport, said main line on said division consisting of 142 miles, all of which is within the state of Washington, and said branch lines on said division consisting of 184.96 miles, 160.86 miles of which are inside the state and 24.10 miles of which are outside the state and in the Province of British Columbia.

That for the fiscal year ending June 30th, 1906, the freight train miles on the main line of the Spokane Division situate within and confined to the state of Washington amounted to 505,491 and the passenger train miles amounted to 406,348.

That the freight train miles on the Cascade Division amounted to 427,891, and the passenger train miles amounted to 511,025.

Making a total freight train mileage within the state of 933,382 miles and a total passenger train mileage of 917,373 miles; and during said time the freight car miles on the lines within the state amounted to 30,531,628, of which 24,333,497 were loaded car miles and 6,198,131 were empty car miles, and the passenger car miles on said lines within the state during said year amounted to 6,027,200.

No. 68.

That the proportionate relation of passenger business is greater on the Cascade division than on the Spokane Division, and the proportionate expense between passenger business and freight business is greater on such Cascade Division than on the Spokane Division.

No. 69.

That the operating expenses charged to accounting divisions and charged to portions of divisions according to state lines is made by said railway company according to the rules adopted by it a copy of which is hereto annexed, marked exhibit C and made a part of these findings.

No. 70.

That the cost of operating the Spokane Division within the state of Washington, as shown by the accounting records of said railroad for

the year 1906, was the sum of $1,411,497.68, made up as follows: maintenance of way and structures $337,145.17, maintenance of equipment $235,866.24, conducting transportation $734,397.34, general expenses $104,088.73.

That the cost of operating the Cascade Division for said year was the sum of $1,772,485.20, made up as follows: maintenance of way and structures $447,310.50, maintenance of equipment $227,381.02, conducting transportation $978,276.75, and general expenses $119,516.93.

Making a total cost of operation of the lines within the state of Washington as shown by said accounting records of the sum of $3,183,982.88.

No. 71.

That of said sum of $3,183,982.88 approximately $2,211,913.00 was expended in the interests of and in moving and transporting freight traffic and approximately $972,070.00 was expended in the interests of and in conducting the passenger department, which for the purpose of these findings includes mail matter, express, dining and sleeping cars, special passenger trains, baggage storage, lunch stands, telephone and telegraph service.

No. 72.

That of the net ton miles specifically referred to in finding No. 45, as being moved over the said lines within the state for the year 1906, 286,811,729 ton miles was moved over the Spokane Division and 193,035,758 ton miles was moved over the Cascade division.

That of said ton miles so moved during said time as aforesaid grain constituted 18.10% of the total tonnage moved and 18.56% of the total ton mileage, of such grain 91.74% of the tonnage was state and 8.26% was interstate; of the ton miles of grain 88.42% was state and 11.58% was interstate. That grain constituted 37.13% of the total state tonnage and 63.37% of the total state ton miles, and of the total interstate tonnage grain constituted 2.71%, and of the total interstate ton miles 2.90%. Of the state grain approximately 31% of the tonnage and 35% of the ton miles was from points on the Central Washington branch of the Northern Pacific Railway moving over the Great Northern line from Adrian to Everett, a distance of 194 miles, and approximately 15% of the tonnage and 12% of the ton miles was from Wenatchee to Seattle, a distance of 165 miles, and approximately 54% of the tonnage and 53% of the ton miles was from points east of Wenatchee and West of Spokane; approximately 97% of the tonnage and 98% of the ton miles, state, was handled between main line points and 3% of the tonnage and 2% of the ton miles between main line points and branch line points.

Of the interstate grain approximately 19% of the tonnage and 17% of the ton miles was from Montana points with an average length of haul of 950 miles, 204 miles of which was within the state;

24% of the tonnage and 33% of the ton mileage was from points on the O. R. & N. and Northern Pacific to points on the Great Northern with a total length of haul over the lines of the Great Northern railroad of 369 miles, 315 miles of which was within the state and 44 miles of which was outside of the state. Approximately 13.50% of the tonnage and 3% of the ton miles was forwarded from points within the state to local points on the Great Northern Railway without the state, with an average haul of 295 miles, 47 miles of which was within the state. Approximately 32% of the tonnage and 28% of the ton miles was grain from Eastern Washington points to points outside of the state being about equally divided as to tonnage and ton miles between shipments to San Francisco from points on the Great Northern Railway and to Portland, Oregon, from points on the Central Washington branch of the Northern Pacific Railway, the average length of haul within the state being approximately 200 miles on the Great Northern Railway, the San Francisco tonnage being turned over to the steamship line at Seattle and the Portland tonnage turned over to the Northern Pacific at Everett. 12% of the tonnage and 19% of the ton miles was grain passing through the state being grain from points beyond the state line on the east to San Francisco, Portland and British Columbia points with an average length of haul of 1,443 miles, 366 miles of which was within the state. Interstate grain was handled entirely over the main line of the Great Northern railway with the exception of such tonnage as went to British Columbia points.

That of the tonnage and ton miles of lumber specifically mentioned in finding No. 45 approximately 74% of the state tonnage and 70% of the state ton miles was between main line points with an average length of haul of 102 miles; 16% of the tonnage and 29% of the ton miles was between main line points and branch line points with an average length of haul of 190 miles. Approximately 10% of the tonnage and 1% of the ton miles was switching, or between branch line points with an average length of haul of 10 miles. That of the tonnage between main line points approximately 25% thereof was from points east of Spokane into Spokane with an average haul of 25 miles, the remaining 75% of the main line tonnage having an average length of haul of 235 miles. Of the interstate lumber approximately 38.66% of the tonnage and 37.46% of the ton miles within the state was forwarded from main line points to main line points local on the Great Northern railway with a total average haul of 1,705 miles, 294 miles of which was within the state; 32.53% of the tonnage and 43.49% of the ton miles within the state was forwarded from branch line points within the state to main line points locally without the state with an average length of haul of 1,800 miles, 407 miles of which was within the state; 14.79% of the tonnage and 6.97% of the ton miles within the state was forwarded from main line points within the

state to points on other lines without the state with an average haul of 891 miles, 143 miles of which was within the state. Of this last item approximately 50% thereof in tonnage was turned over to the Northern Pacific and O. R. & N. at Spokane. 6.36% of the tonnage and 8.11% of the ton miles was from branch line points in the state to points on other lines without the state with an average length of haul of 1,106 miles, 382 miles of which was within the state. Of the interstate business approximately 2% of the tonnage originated on the main line in Idaho and was handled into the state an average distance of 60 miles and was delivered within the state, having an average haul of 60 miles, 10 miles of which was inside the state. Approximately 3.28% of the tonnage but less than one-half of one percent of the ton miles passed through the state, being lumber and shingles originating in Idaho and Montana and turned over to the O. R. & N. and the Northern Pacific at Spokane; 2.37% of the tonnage and 3.50% of the ton miles interstate originated largely in British Columbia on the coast and passed across and beyond the state with an average haul of 776 miles, 446 miles of which was within the state; the average length of haul on all interstate lumber and shingles was 1,040 miles, 284 miles of which was within the state. The average length of the branch line haul of 55.10% of the interstate ton miles was 60 miles and the main line haul thereon was 342 miles; the average length of haul on the main line of 44.43% of the ton miles was approximately 289 miles; the average length of 70% of the ton miles of state haul was 102 miles on the main line and no branch line haul; the average length of 29% of the state ton miles, between main line points and branch line points was 191 miles, approximately an average distance of 51 miles on the branch and 140 miles on the main line.

Of the ton miles and tonnage of logs and other manufactured forest products specifically mentioned in finding No. 45, logs constituted approximately 60% of the state tonnage and 30% of the ton miles and was practically all state business, the remaining 40% of the tonnage and 70% of the ton miles was made up of poles, cordwood, slabs and other unmanufactured forest products other than saw logs, and such other unmanufactured products had an average weight per car of 24.3 tons, with an average length of haul of approximately 60 miles. Of the state business of this commodity other than saw logs ,84.31% of the tonnage and 86.83% of the ton miles was between main line points with an average haul of 32 miles, 2.69% of the tonnage and 3.17% of the ton miles was between main line points and branch line points with an average haul of 35 miles, and 13% of the tonnage and 10% of the ton miles was between branch line points with an average haul of 24 miles. Of the interstate tonnage on these commodities other than saw logs 26% of the tonnage and 1% of the ton miles was between branch line points with an average haul of 13 miles, 2 miles of which was within the state, being shipments originating in British Columbia destined to Blaine. Approximately 74% of the tonnage and 99% of the ton miles was between main line

points. Of this tonnage practically one-half thereof was shipments in and out of Spokane with an average length of haul of 77 miles, 47 miles of which was within the state constituting approximately 37% of the tonnage and 40% of the ton miles, the remaining half being 37% of the tonnage and 58% of the ton miles constituted all shipments to the east with an average length of haul of 900 miles approximately, 240 miles of which was within the state.

Of the ton miles of coal specifically mentioned in finding No. 45 representing practically 3.56% of the total state tonnage and 2.20% of the total state ton miles, and 7.04% of the total interstate tonnage and 1.62% of the total interstate ton miles, 87% of the state tonnage and 86.4% of the state ton miles was between main line points, with an average haul of 69 miles, practically 50% thereof moving between Seattle and Everett with an average haul of 33 miles, the remaining state business being shipments from Spokane and Seattle to local points within the state with an average length of haul of approximately 100 miles. 12.7% of the tonnage and 13.6% of the ton miles was from main line points to points on the branch line with an average length of haul of 75 miles, divided 33 miles on the main line and 42 miles on the branch line. Of the interstate coal 80% of the tonnage and 79% of the ton miles was coal passing through the state being coal from Swinton and Fernie, B. C., destined to Northport, Rossland and Grand Forks, with an average length of haul on the Great Northern of 270 miles, 47 miles of which was in Washington. 18% of this tonnage and 13% of the ton miles was from the same British Columbia points into Spokane and Colbert with an average length of haul of practically 258 miles, 34 miles of which was within the state. 2% of the tonnage and 8% of the ton miles was from other eastern points and moved an average distance of 1,825 miles, 416 miles of which was within the state. Practically all of the interstate business was main line haul.

Of the iron and steel articles mentioned in said finding No. 45 the average net weight of the contents of the car on state business was 22.20 tons and consisted of an average haul of 132 miles, the interstate average net weight of the car was 24.44 tons moving a total distance of 1,634.5 miles, of which 257.7 miles was within the state. Practically all of the state iron and steel moved was handled on the Cascade division and of the interstate practically 95% of the ton miles represented shipments handled from the Idaho state line across the state to Puget Sound. Iron and steel articles represent 3.08% of the tonnage and 4.11% of the ton miles, of which the state tonnage was .06% and the state ton miles .05% and the interstate tonnage 3.02% and the interstate ton miles 4.06% of the total tonnage. The state tonnage on said articles represented 15% of the total state tonnage and 18% of the total state ton miles and the interstate business represented 5.36% of the total interstate tonnage and 5.43% of the total interstate ton miles.

That of the item of steel rail mentioned in said finding 45 con-

stituting .66% of the total tonnage and .79% of the total ton mileage, of which the state tonnage and ton mileage was .09% and .04% respectively, and the interstate .57% and .75% respectively, the state business constituting .20% of the tonnage and .17% of the ton miles, of the total state business, the interstate business representing 1.02% of the tonnage and 1% of the interstate ton miles. The average length of state haul was 94 miles and the average weight of the car was 28.80 tons; the interstate average length of haul was 1,638.7 miles, 252.4 miles of which was within the state with an average weight per car of 42.74 tons. All of the state rails was handled on the Cascade division. Of the interstate business the ton mileage represented a haul across the state approximately 37% on the Spokane division and 63% on the Cascade division.

Of the ton miles and tonnage of hay mentioned in said finding constituting .73% of the total tonnage and .35% of the total ton miles, of which the state tonnage and ton miles was .71% and .35% respectively and the interstate .02% and .01% respectively. The said tonnage and ton miles consisted of state 1.59% and 1.40% respectively of the state tons and ton miles, and the interstate tonnage and ton miles represented .03% and .01% of the total interstate tons and ton miles respectively. The average length of haul of the state hay was 96.6 miles, and the average net weight per car 11.85 tons; the average length of haul of the interstate hay was 94.5 miles, 47 miles of which was within the state with an average net weight per car of 12.20 tons. Practically 20% of the state ton miles was handled on the branches and 80% on the Cascade division. Of the interstate hay practically all was handled in and around Spokane on the Spokane division.

Of the tonnage and ton miles of machinery mentioned in said finding constituting .72% of the total tonnage and 1% of the total ton miles, of which the state tonnage and ton miles was .15% and .07% respectively and the interstate .57% and .94% respectively and which constituted .35% and .27% of the state tons and ton miles respectively and 1.02% and 1.28% of the total interstate tons and ton miles respectively. The average length of haul of the state business was 82.4 miles and the average net weight of the car was 13.93 tons; the average length of haul of the interstate business was 1,631.7 miles, 315.6 miles of which was within the state and the average net weight of the interstate car was 17 tons. Practically 75% of the state ton mileage of machinery was handled on the Cascade division and 25% on the branches, the interstate ton miles of machinery all moved entirely across the state and would be divided between the Spokane and Cascade division on the basis of 63% Spokane and 37% Cascade division.

Of the tonnage and ton miles of canned salmon mentioned in said finding constituting .56% of the total tonnage and 1% of the total ton miles, of which the state tonnage and ton miles was .08% and .07% respectively, and the interstate business was .48% and .93%

respectively, and which constituted .17% and .30% of the total state tons and ton miles, and .85% and 1.25% of the total interstate tons and ton miles respectively. The average length of the state haul was 184.3 miles and the average net weight of the car was 23.8 tons; the average length of haul of the interstate salmon was 1,741.8 miles, 372.1 miles of which was inside the state and the average net weight of the car, interstate, was 24.34 tons. State salmon moved up and down the coast line, 50% of the ton miles being handled on the branches and 50% being handled on the main line between the Sound and Spokane and intermediate points. Some interstate salmon moved from British Columbia points to Puget Sound points, thus reducing the average length of haul inside the state. Practically all of the interstate business moved over the Cascade and Spokane divisions across the state.

Of the tonnage and ton miles of brick and stone which constituted 1.44% of the total tonnage and .34% of the total ton miles, of which the state tons and ton miles was 1.11% and .22% respectively, and the interstate .33% and .12% respectively which constituted of the total state tons and ton miles 2.56% and .91% respectively and of the total interstate tons and ton miles .58% and .15% respectively. The average length of haul of the state business was 40 miles, and of the interstate business 148.4 miles, of which 167.3 miles was within the state; the average weight of car of the state business was 29.59 tons per car and of the interstate business 30.20 tons per car. Of the state ton miles practically 25% was handled on branch lines, 50% on the Cascade division and 25% on the Spokane division. Of the interstate business practically all was handled on the Spokane division.

Of the tons and ton miles of sand and gravel mentioned in said finding constituting .17% of the total ton miles, and 1.31% of the total tonnage, of which the state tons and ton miles was 1.25% and .12%, respectively, the interstate tons and ton miles being .06% and .05%, respectively, and which state business constituted .287% of the total state tons and .46% of the total state ton miles, and the interstate business constituted .11% and .06%, respectively; of the total state tons and ton miles the average length of haul of state business was 17.7 miles, with a net average weight of car of 23.90 tons, the average length of haul of the interstate business was 1579.5 miles, of which 148.5 miles was inside the state and the average net weight of the car was 23.90 tons. Practically all of the state tonnage was handled on the Cascade branches and the interstate tonnage was handled on the Spokane and Cascade main line.

Of the said tons and ton miles of ore mentioned in said finding constituting 1.16% of the total tonnage and 1.29% of the total ton miles, of which the state tons and ton miles was .22% and .17%, respectively, and the interstate tons and ton miles was .94% and 1.12%, respectively. Of the total state tons and ton miles, ore constituted .49% and .67%, respectively, and of the total interstate tons and ton miles,

ore constituted 1.67% and 1.49%, respectively. The average length of haul of state business was 150 miles, and the average net weight of the car was 28.20 tons; the average length of haul of the interstate business was 972.6 miles, 227.6 miles of which was inside the state, and the average weight of the car was 30.98 tons. The interstate ore was handled practically across the state on the Spokane and Cascade main line, while the state business was practically all Cascade division main line.

Of the said tons and ton miles mentioned in said finding comprising miscellaneous commodities handled in carloads and carload lots 13.38% of the total tonnage and 17.61% of the total ton miles, of which the state tonnage and ton miles represented 3.69% and 2.25%, respectfully, and the interstate tonnage and ton miles was 9.69% and 15.36%, respectively, of which the state tons and ton miles constituted 10.14% and 9.72%, respectively, of the total state tonnage and ton miles, and of which the interstate tonnage and ton miles constituted 19.94% and 23.34%, respectively, of the total interstate tonnage and ton miles. Of the state business approximately 89% of the tons and ton miles was between main line points, with an average length of haul of 102.1 miles, 11% of the tonnage and ton miles was between main line points and branch line points, with an average length of haul approximately 100 miles, divided 21 miles on the branch lines and 79 miles on the main line, and the net average weight per car of such state business was 17.29 tons. Of this state ton miles practically 70% was equally divided as between the Spokane and Cascade division, 20% of the ton mileage was divided 37% on the Cascade division and 63% on the Spokane division, the remaining 10% of the ton mileage being hauled 8% over the Cascade division main line and 2% over the branch line. Of the interstate business approximately 62.86% of the tonnage and 64.61% of the ton miles was hauled into the state with an average length of haul approximately 1,550 miles, 300 miles of which was inside the state and was main line haul on the Spokane and Cascade divisions. 18% of the interstate tonnage and 19% of the interstate ton miles was forwarded from main line points within the state to points without the state, with an average length of haul of approximately 1,600 miles, of which practically 300 miles was within the state. 6% of the interstate tonnage and 7% of the interstate ton miles was to or from branch line points within the state, with an average length of haul of 1,650 miles, 387 miles of which was within the state. Approximately 14% of the tonnage and 10% of the ton miles passed through the state, with an average length of haul of 1,463 miles, 190 miles of which was within the state. Of this last item, while the goods all passed through the state, they did not pass over the entire line of the Great Northern road, but were delivered to other connecting lines; with an average net weight per car of interstate business of 17 tons.

Of the tonnage and ton miles of less than carload business mentioned in said finding representing 4.67% of the total tonnage and 3.33% of the total ton miles, of which the state tons and ton miles was

3.10% and 1.33%, respectively, and the interstate tonnage and ton miles was 1.33% and 2% respectively. Of the total L. C. L. business 66.43% of the total tonnage and 40.1% of the ton miles was state business and 33.57% of the tonnage and 59.99% of the ton miles was interstate. Such state L. C. L. business represented 6.93% of the total state tonnage and 5.14% of the total state ton miles, and the interstate business of this class represented 2.83% of the total interstate tonnage and 2.70% of the total interstate ton miles. The average net weight of the car being, state 5 tons, interstate 8 tons, the state business was handled an average distance of 84.6 miles, and practically 90% of the ton miles was in and out of Seattle and Spokane, and of this 90%, 80% was from these two cities, the balance being handled between other points within the state. Of this interstate business more than 70% of the ton miles was in and out of Spokane and Seattle, and more than 85% of this 70% was into Seattle; the average length of haul being 1,242.5, 251 miles of which was within the state. All of the business above mentioned moving into Seattle moved across the Spokane and Cascade division main line.

No. 73.

That of the tonnage handled over the lines of said railroad within the state of Washington approximately 44.71% of the tonnage was state business and 55.29% of the tonnage was interstate business, and of the total ton miles handled over the lines within the state approximately 29.60% was state business and 70.40% was interstate ton miles.

No. 74.

That the average cost of moving a ton of freight one mile over the lines, divisions and branches, as the same does move divided by the methods adopted by said company above referred to is approximately as follows: On the Spokane division .3530 cents, on the Cascade division .6587 cents, on the combined Spokane and Cascade division main line .4760 cents and on the branches of the Cascade division 1.4280 cents; the average cost of moving a ton of freight one mile in the state by such company, according to the accounting method adopted by it, was .4760 cents; that the figures in this finding hereinafter given as to the relative or percentage cost of moving the different commodities are based on the cost of moving the average ton mile above mentioned of .4760 cents.

That the cost of moving a ton of state grain one mile as the same moves over the different lines and branches is .7176% of the average cost of moving the average ton of freight one mile; that the cost of a ton of interstate grain over the lines in this state is .8136% of the average cost aforesaid.

That the cost of moving a ton of state lumber in this state one mile is 1.1197% of the average cost aforesaid; that the average cost of moving a ton of interstate lumber over the lines in this state is .7722% of the average cost aforesaid.

That the cost of moving a ton of state logs and other forest products in this state one mile is 1.6355% of the average cost aforesaid; that the average cost of moving a ton of interstate logs and other forest products over the lines of the said company in this state is .9832% of the average cost aforesaid.

That the cost of moving a ton of state coal over the lines of the said company in this state one mile, is 1.2737% of the average cost afore said; that the average cost of moving a ton of interstate coal over the lines of the said company in this state is .6985% of the average cost aforesaid.

That the average cost of moving a ton of state iron and steel articles over the lines of the said company in this state is 1.2422% of the average cost as aforesaid, and the average cost of moving a ton of interstate iron and steel articles over said road is .8682% of the average cost aforesaid.

The average cost of moving a ton of state steel rails over lines of the said company in this state is 1.0363% of the average cost aforesaid, and the average cost of moving a ton of interstate steel rails over the said line is .7334% of the average cost aforesaid.

That the average cost of moving a ton of state hay over the lines of the said company in this state is 2.1922% of the average cost aforesaid, and that the average cost of moving a ton of interstate hay over the lines of the said company is 1.7811% of the average cost aforesaid.

That the average cost of moving a ton of state machinery over the lines of the said company in this state is 1.9294% of the average cost aforesaid, that the average cost of moving a ton of interstate machinery over the lines of the said company is 1.0567% of the average cost aforesaid.

That the average cost of moving a ton of state canned salmon over the lines of the said company in this state is 1.4226% of the average cost aforesaid, and the average cost of moving a ton of interstate canned salmon over the lines of the said company is .8802% of the average cost aforesaid.

That the average cost of moving a ton of state brick and stone over the lines of the said company in this state is 1.3527% of the average cost aforesaid, and that the average cost of moving a ton of interstate brick and stone over the lines of the said company is 1.1506% of the average cost aforesaid.

That the average cost of moving a ton of state sand and gravel over the lines of said company in this state is 2.7155% of the average cost aforesaid, and that the average cost of moving a ton of interstate sand and gravel over the lines of said company is .6712% of the average cost aforesaid.

That the average cost of moving a ton of state ore over the lines of said company in this state is 1.1403% of the average cost aforesaid, and that the average cost of moving a ton of interstate ore over the said lines is .8241% of the average cost aforesaid.

That the average cost of moving a ton of state other carloads over

the lines of said company in this state is 1.2065% of the average cost aforesaid, and the average cost of moving a ton of interstate other carloads is 1.00% of the average cost aforesaid.

That the average cost of moving a ton of state less than carloads over the lines of the said company in this state is 7.2884% of the average cost aforesaid, and the average cost of moving a ton of interstate less than carloads over the said lines is 1.8487% of the average cost aforesaid.

No. 75.

That the cost of operating the different divisions as shown by the rules adopted by the said company and hereinbefore referred to is ascertained by charging to such division, among other charges, the total expense of station employees, yard masters, clerks, railroad conductors and brakemen and all expenses incurred at such point, irrespective of whether the service performed is for the benefit of fright confined to such division or for the benefit of freight moved over the entire line of said company.

The cost of moving a carload is made up of the terminal and assembly expense, the hauling charge and the terminal and distribution charge at the end of the haul, which divided by the miles hauled gives the cost per ton per mile of moving a carload. By the rules adopted by said company the terminal charge on interstate business both received and forwarded, as well as the assembly charge on all forwarded freight originating on either main line or expensively operated branch lines in this state, is charged to the cost of moving such interstate freight over the lines in the state of Washington.

The revenue credited to interstate freight is credited to earnings to the state in the proportion which the miles such freight is carried within the state bears to the total miles such freight is carried.

That by distributing the terminal charges on interstate freight received and forwarded, together with the increased assembly charges, on the expensive branch lines and on forwarded interstate fright over one half the total haul of such interstate freight the cost of operating the lines in Washington properly applicable and chargeable to the cost of freight movement for the fiscal year ending June 30th, 1906, is reduced from the apparent charge of $2,211,913 before referred to, to $2,129,200.00.

No. 76.

That of said sum of $2,129,200.000 expended in handling freight traffic over the lines of the Great Northern Railroad in the state of Washington, $712,788.00 thereof was expended in handling and for the benefit of state freight, and $1,416,412.00 was expended in handling and for the benefit of interstate freight.

That of said sum of $972,070.00 mentioned in finding 71 as expenses incurred in the passenger department, $145,665.00 was expended in moving mail and express matter and baggage and in operating dining cars, sleeping cars, lunch counters, telephone and telegraph lines,

leaving $826,405.00 properly chargeable to passenger service, or, against passenger revenue.

That of said sum of $145,665.00 expended as aforesaid, $39,959.00 was incurred in handling express business, of which $27,788.00 was incurred in handling state express and $12,171.00 was incurred in handling interstate express; the sum of $61,077.00 was expended in handling mail matter, of which $26,426.00 was incurred in handling state mail and $34,646.00 was incurred in handling interstate mail; the sum of $9,954.00 was incurred in handling excess baggage and in storing baggage, of which $2,066.00 was state and $7,893.00 was interstate; the sum of $2,143.00 was incurred in conducting lunch stands, all of which was expended on state business; the sum of $32,531.00 was expended in operating sleeping, dining and combined observation and grill cars, of which $9,467.00 was incurred on state business and $23,-064.00 was expended on interstate business.

No. 77.

That of said sum of $826,405.00 expended in handling and for the benefit of the passenger business, $548,485.00 was expended in handling and for the benefit of the state passenger business and $277,920.00 was expended in the handling of and for the benefit of the interstate passenger business moving over the said lines.

No. 78.

That between the years 1900 and 1906 the line of the Great Northern Railway in the state of Washington was not kept in as high a state of efficiency as the nature of the business conducted thereon should demand; insufficient tie renewals were made and the track was not kept properly surfaced and in proper repair, and that in the year 1906 and 1907 numerous wrecks occurred on said line, and that during the years 1907 and 1908 very extensive repairs were made on such property and the cost incident thereto was greatly in excess of what it should have been had renewals and improvements been properly made during the preceding years above mentioned; that renewals of ties and track surfacing is charged to operating expenses; that the operating expenses of the Great Northern Railway Company hereinbefore mentioned increased from $3,183,983.00 in 1906, to $4,992,-615.00 in 1907, and to $6,233,912.00 in 1908, whereas there was carried in 1907, over the lines of the said railroad within the state 23,537,164 ton miles of freight less than was carried in 1906.

That the item charged for maintenance of way and structures within the state of Washington for 1905 was the sum of $707,957.00, amounting to $1,306.00 per mile of road.

That in 1906, the amount charged for maintenance of way and structures on the lines in the state of Washington was the sum of $781,487.19, amounting to the sum of $1,429.00 per mile of road.

That for the year 1907, the amount charged for maintenance of

way and structures on the lines in the state of Washington increased to $1,436,187.00, or the sum of $2,625.00 per mile.

That for the year 1908, the amount expended for maintenance of way and structures on the lines in this state was $1,741,011.91, or $2,160.00 per mile.

That the amount expended by the Great Northern Railway Company for maintenance of way and structures on its entire line was, per mile of road, as follows: 1901, the sum of $852.00; 1902, the sum of $831.00; 1903, the sum of $944.00; 1904, the sum of $886.00; 1905, the sum of $1,004.00; 1906, the sum of $1,109.00; 1907, the sum of $1,361.00, and 1908, the sum of $1,502.00, making an average expenditure for maintenance of way and structures during said eight years, per mile of road of $1,061.00.

That the lines of the Northern Pacific Railway Company traverse a similar section of country throughout its length to that traversed by the Great Northern Railway, and the amount expended by the Northern Pacific Railway Company per mile of road during the same period was as follows: 1901, the sum of $1,059.00; 1902, the sum of $1,337.00; 1903, the sum of $1,396.00; 1904, the sum of $1,257.00; 1905, the sum of $1,393.00; 1906, the sum of $1,383.00; 1907, the sum of $1,680.000, and 1908, the sum of $1,605.00, making an average cost per mile expended by the Northern Pacific Railway during said eight years for maintenance of way and structures of $1,390.00 per mile.

That the Commission has been unable to ascertain the expenditure incurred for maintenance of way and structures on the lines in the state of Washington prior to the fiscal year ending June 30th, 1905; that since 1905, the Northern Pacific Railway Company has expended for maintenance of way and structures within the state of Washington, the following, for the fiscal year ending June 30th, 1905, an average of $1,542.00 per mile of road, for the fiscal year ending June 30th, 1906, an average of $1,429.00 per mile of road; for the fiscal year ending June 30th, 1907, an average of $2,064.00 per mile of road; for the year ending June 30th, 1908, an average of $1,439.00 per mile of road; that the expenditure incurred for maintenance of way and structures during the year 1907, was greatly augmented and increased by unprecedented floods and washouts, which in many instances washed out the lines of the said road causing practically their reconstruction in many places. That the amount mentioned as being expended for maintenance of way and structures by the Great Northern Railway Company for the year 1908 included the Spokane Falls & Northern system; that the amounts hereinbefore given for 1905, 1906 and 1907 did not include the sums expended for maintenance of way and structures on such Spokane Falls & Northern. That for the fiscal year ending June 30th, 1905, such Spokane Falls & Northern expended for maintenance of way and structures $99,278.00 being an average per mile of road of $717.82; that for the year ending June 30th, 1906, it expended for such purposes $107,402.00 bein an average

cost per mile of road of $771.12, and for the fiscal year ending June 30th, 1907, it expended for such purpose the sum of $138,706.67, being an average cost per mile of $995.87.

The Commission finds that the cost of maintenance of way and structures for the year 1907 of $1,436,187.00 and for the year 1908 of $2,362,548.00 does not represent a normal expenditure for such purpose, but that an average expenditure of $1,300.00 per mile for maintenance of way and structures would be a reasonable and sufficient allowance for such item under normal conditions.

And that the miles operated in the year 1907 in the state of Washington was 547.39 miles, and for the year 1908 the miles operated within the state was 806.23 miles.

That in addition thereto the accounting records show the following items to have been expended and charged to cost of operation for the year 1907, to-wit:

Loss and damage	$139,090.03
Injuries to persons	214,398.49
Clearing wrecks	41,018.18

That during said year the said road carried over its lines in the state of Washington 71,261,611 passengers one mile and 456,310,313 tons of freight one mile;

That during said year the Oregon Railroad & Navigation Company expended for the same items on its entire line amounting to 1245.82 miles of road, the following:

Loss and damage	$59,244.47
Injuries to persons	60,752.69
Clearing wrecks	30,983.72

That during said time the Oregon Railroad & Navigation Company carried over its said lines 126,440,471 passengers one mile and 758,864,940 tons of freight one mile;

That during said time the Northern Pacific Railway Company expended for the same items over its lines in Washington, consisting of 1629.42 miles, the following sums:

Loss and damage	$137,063.57
Injuries to persons	60,752.69
Clearing wrecks	93,419.73

That during said time the said Northern Pacific Railway Company carried over its lines in Washington 224,214,106 passengers one mile and 1,392,894,577 tons of freight one mile.

That during the year 1906 the said Great Northern Railway Company expended for the same items on its entire line, amounting to 5183.11 miles of road, the following sums:

Loss and damage	$330,409.73
Injuries to persons	332,911.42
Clearing wrecks	88,470.24

That during said fiscal year the Great Northern Railway Company carried over its lines 376,783,210 passengers one mile and 4,484,575,584 tons of freight one mile.

That for the said year 1906 the Northern Pacific Railway Company expended for the same items on its entire line, consisting of 5793.59 miles of road, the following sums:

Loss and damage	$310,646.50
Injuries to persons	360,112.28
Clearing wrecks	101,591.69

That during said year it carried over its said entire line 659,050,227 passengers one mile and 5,245,260,080 tons of freight one mile;

That during the said year 1906 the O. R. & N. Company expended for the same items on its entire line, consisting of 1130.58 miles of road, the following sums:

Loss and damage	$89,734.66
Injuries to persons	32,058.61
Clearing wrecks	12,557.08

That during said time the O. R. & N. Company carried over its said entire line 143,124,308 passengers one mile and 723,677,155 tons of freight one mile.

That during the year 1908 the said Great Northern Railway Company expended for the same items in the state of Washington the following sums:

Loss and damage	$98,120.27
Injuries to persons	161,459.09
Clearing wrecks	27,517.54

That during said time the said road carried over its lines in the state 95,648,857 passengers one mile and 542,462,369 tons of freight one mile;

That during said year 1908 the Northern Pacific Railway Company expended for the same items on its lines in the state, consisting of 1737.90 miles of road, the following sums:

Loss and damage	$282,834.12
Injuries to persons	174,704.42
Clearing wrecks	101,591.69

That during said year the said company carried over said lines 250,107,118 passengers one mile and 1,360,673,834 tons of freight one mile.

The Commission finds that the items hereinbefore in this finding set out as being expended by the Great Northern Railway Company for maintenance of way and structures, loss and damage, injuries to persons for the years 1907 and 1908 and for clearing wrecks in the year 1907 were not normal expenditures but were necessitated by reason of the defective condition of its track and roadbed during previous years, and had said lines been theretofore kept in a proper state of efficiency and had the terminal or assembly charges on interstate

freight been apportioned over half of the haul as hereinbefore referred to, the expenses of operation for the year 1907 nereinbefore set out as shown by the accounting records amounting to $4,992,615.00 would have been reduced to $3,945,695.00 and said sum of $6,233,912.00 the expenses incurred for the year 1908, as shown by said accounting records would have been reduced to $5,340,537.00.

No. 79.

That of said sum of $3,945,695.00 properly chargeable to operating expenses for the year 1907, $2,727,264.00 thereof is properly chargeable to handling freight traffic over the said lines and of such last mentioned sum $1,068,269.00 thereof was expended in handling and for the benefit of state freight and $1,658,995.00 was expended in handling and for the benefit of interstate freight.

That of said sum of $3,945,695.00, $1,218,431.00 is properly chargeable to the passenger department, and of such sum there was expended in moving mail and express matter and baggage, and in operating dining cars, sleeping cars, lunch stands, telephone and telegraph lines, the sum of $202,485.00, leaving $1,015,946.00 properly chargeable to passenger service or against passenger revenue. That of said sum of $202,485.00 expended as aforesaid in mail, express, baggage, dining and sleeping cars, lunch stands etc., $51,022.00 was incurred in handling express business, of which $35,476.00 was incurred in handling state express and $15,546.00 was incurred in handling interstate express; the sum of $92,243.00 was expended in handling mail matter, of which $39,319.00 was incurred in handling state mail and $52,330.00 was incurred in handling interstate mail; the sum of $13,976.00 was expended in handling excess baggage and in storing baggage, of which $3,645.00 was incurred in handling state baggage and $10,331.00 was incurred in handling interstate baggage. The sum of $45,244.00 was expended in operating sleeping, dining and combined observation and grill cars, of which $13,166.00 was incurred on state business and $32,078.00 was incurred on interstate business.

That of said sum of $1,015,946.00 expended in handling and for the benefit of the passenger business, $684,849.00 was expended in handling and for the benefit of state business and $331,097.00 was expended for the handling of and for the benefit of the interstate passenger business moving over the said lines.

No. 80.

That of said sum of $5,340,537.00 hereinbefore mentioned as properly chargeable to operating expenses for the year 1908, $3,511,403.00 was properly chargeable to handling freight traffic over the lines of said road in the state and $1,829,134.00 thereof was properly chargeable to handling the passenger traffic; that of said sum of $3,511,403.00 properly chargeable to the freight department, $1,375,417.00 was expended in handling and for the benefit of the state freight and $2,135,986.00 was expended in the handling of and for the benefit of inter-

state freight. That of said sum of $1,829,134.00 above mentioned as expenses properly chargeable to the passenger department, $249,906.00 was expended in moving mail matter, express and baggage, and in operating dining cars, sleeping cars, lunch stands, telephone and telegraph lines, leaving $1,579,228.00 properly chargeable to the passenger service or against the passenger revenue; that of said sum of $249,906.00 expended as aforesaid in mail, express, baggage, dining and sleeping cars, lunch stands, etc., $70,651.00 was incurred in handling express business, of which $51,873.00 was incurred in handling state express and $18,779.00 was incurred in handling interstate express; the sum of $102,782.00 was expended in handling mail matter of which $44,474.00 was incurred in handling state mail and $58,308.00 was incurred in handling interstate mail; the sum of $18,658.00 was expended in handling excess baggage and storing baggage, of which $14,399.00 was incurred in handling state baggage and $4,258.00 was incurred in handling interstate baggage; the sum of $10,385.00 was incurred in conducting lunch stands, station and train privileges, special trains and miscellaneous, all of which $7,194.00 was expended on state business and $3,191.00 was incurred in handling interstate business; the sum of $47,430.00 was expended in operating sleeping, dining and combined observation and grill cars, of which $13,802.00 was incurred on state business and $33,628.00 was incurred on interstate business. That of said sum of $1,579,228.00 expended in handling and for the benefit of the passenger business, $1,064,558.00 was expended in handling and for the benefit of the state business, and $514,670.00 was expended for the handling of and for the benefit of the interstate passenger business moving over the said lines.

No. 81.

That in these findings the term "revenue derived from state business" means the gross receipts derived from freight and passengers carried on a continuous contract wholly within the state, and "revenue derived from interstate business" means receipts derived from freight and passengers carried under continuous contract where a portion of the carriage is outside of the state, and such terms are used in reference to the earnings from intrastate and interstate traffic with reference to the definition hereinbefore given of intrastate and interstate traffic respectively.

In ascertaining the revenue earned over or by the lines in this state on interstate business the same method has been used by the Commission as is used by the Great Northern Railway accounting department, to-wit, ascertaining the total gross earnings of the company on the item of freight moved or passengers carried and crediting to the state of Washington as earnings over the lines in this state from such interstate business in proportion that the freight or passenger mileage within the state bears to the total miles the freight or passenger was carried over the company's lines.

The revenue derived from mail matter was apportioned state and interstate as follows: the earnings from mail cars moving partly

within and partly without the state, and from mail routes partly within and partly without the state was ascertained and was apportioned to the lines within the state on a mileage prorate. To this was added the earnings of the said company from mail cars moving entirely within the state and from mail routes local and entirely within the state and the net gross receipts allocated state and interstate in the proportion that the average weight of the state mail carried over the said lines and routes bears to the average weight of the interstate mail carried over the same lines and routes.

Revenue derived from express was apportioned state and interstate as follows: receipts from all interstate express business was credited to the state as interstate earnings on a mileage prorate, and all earnings on strictly state express was credited to the state as state earnings.

Revenue derived from baggage storage and excess baggage collections were apportioned state and interstate as follows, all revenue derived from baggage storage was credited to state earnings, and all excess baggage collections within the state were allocated state and interstate in proportion to the passenger earnings within the state, state and interstate.

Revenue derived from miscellaneous earnings were credited to state earnings with the exception of rents from commercial properties and interest on bank balances which were not taken into consideration or considered as earnings of the road as all commercial property was excluded in ascertaining the value of the railroad's investment.

No. 82.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in this state on state and interstate business for the year 1906, excluding rents from commercial properties and interest on bank balances was the sum of $6,071,143.00.

No. 83.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of the said railroad in the state on interstate and state business for the year 1907, excluding rents from commercial properties and interest on bank balances, was the sum of $6,489,097.00.

No. 84.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state, state and interstate business for the year 1908, excluding the rents from commercial properties and interest on bank balances, was the sum of $8,621,689.00.

No. 85.

That of said sum of $6,267,768.00 mentioned in finding No. 82 as the earnings of said road for the year 1906, $3,319,591.00 was revenue derived from state business and $2,948,177.00 was revenue derived from interstate business.

That of said sum of $6,489,097.00 mentioned in finding No. 83 as the earnings of said road in the state of Washington for the year 1907, $3,760,276.00 was revenue derived from state business and $2,728,821.00 was revenue derived from interstate business.

And of said sum of $8,621,689.00 the earnings for the year 1908, as set out in finding No. 84, $5,064,309.00 was revenue derived from state business and $3,557,380.00 was revenue derived from interstate business.

No. 86.

That during the fiscal year ending June 30th, 1908, and on or about the 1st day of November, 1907, the said company promulgated and put in force a tariff increasing the rates on interstate lumber and shingles very materially and in many instances exceeding 20 per cent. increase; that proceedings were instituted by the lumber interests of the state before the Interstate Commerce Commission and before the courts challenging the reasonableness of such incrase and for the purpose of enjoining the collection of said rates.

That by reason of the existing conditions and uncertainty as to the rate which should be finally fixed the interstate shipments on lumber were very greatly reduced during the balance of said fiscal year, and the gross earnings from interstate business over the lines in this state were greatly reduced over what they would have been under normal conditions in the lumber traffic.

and beyond Omaha being fixed with reference to such 40-cent and 50-cent rate on lumber and such 50-cent and 60-cent rate on shingles respectively.

That prior to the 1st day of November, 1907, such railroad filed with the Interstate Commerce Commission and posted a tariff, to become effective on the first of November, 1907, by which the 40-cent rate above mentioned on fir lumber was increased to 50 cents, the 50-cent rate on fir lumber above mentioned was increased to 55 cents, the 50-cent rate on shingles was increased to 60 cents and the 60-cent rate on shingles was increased to 65 cents. As before stated, said complaint was filed before the Interstate Commerce Commission challenging the reasonableness of such increase of rates, resulting, after a full hearing, in the Commission fixing the following maximum

within and partly without the state, and from mail routes partly within and partly without the state was ascertained and was apportioned to the lines within the state on a mileage prorate. To this was added the earnings of the said company from mail cars moving entirely within the state and from mail routes local and entirely within the state and the net gross receipts allocated state and interstate in the proportion that the average weight of the state mail carried over the said lines and routes bears to the average weight of the interstate mail carried over the same lines and routes.

Revenue derived from express was apportioned state and interstate as follows: receipts from all interstate express business was credited to the state as interstate earnings on a mileage prorate, and all earnings on strictly state express was credited to the state as state earnings.

Revenue derived from baggage storage and excess baggage collections were apportioned state and interstate as follows, all revenue derived from baggage storage was credited to state earnings, and all excess baggage collections within the state were allocated state and interstate in proportion to the passenger earnings within the state, state and interstate.

Revenue derived from miscellaneous earnings were credited to state earnings with the exception of rents from commercial properties and interest on bank balances which were not taken into consideration or considered as earnings of the road as all commercial property was

ERRATA.

The sum of $6,071,143.00 appearing in finding 82 should read $6,267,768.00.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of the said railroad in the state on interstate and state business for the year 1907, excluding rents from commercial properties and interest on bank balances, was the sum of $6,489,097.00.

No. 84.

Interstate earnings being credited to the lines in the state as aforesaid, the earnings of said railroad in the state, state and interstate business for the year 1908, excluding the rents from commercial properties and interest on bank balances, was the sum of $8,621,689.00.

No. 85.

That of said sum of $6,267,768.00 mentioned in finding No. 82 as the earnings of said road for the year 1906, $3,319,591.00 was revenue derived from state business and $2,948,177.00 was revenue derived from interstate business.

That of said sum of $6,489,097.00 mentioned in finding No. 83 as the earnings of said road in the state of Washington for the year 1907, $3,760,276.00 was revenue derived from state business and $2,728,821.00 was revenue derived from interstate business.

And of said sum of $8,621,689.00 the earnings for the year 1908, as set out in finding No. 84, $5,064,309.00 was revenue derived from state business and $3,557,380.00 was revenue derived from interstate business.

No. 86.

That during the fiscal year ending June 30th, 1908, and on or about the 1st day of November, 1907, the said company promulgated and put in force a tariff increasing the rates on interstate lumber and shingles very materially and in many instances exceeding 20 per cent. increase; that proceedings were instituted by the lumber interests of the state before the Interstate Commerce Commission and before the courts challenging the reasonableness of such incrase and for the purpose of enjoining the collection of said rates.

That by reason of the existing conditions and uncertainty as to the rate which should be finally fixed the interstate shipments on lumber were very greatly reduced during the balance of said fiscal year, and the gross earnings from interstate business over the lines in this state were greatly reduced over what they would have been under normal conditions in the lumber traffic.

That during the years 1905, 1906 and 1907 and a part of 1908 and up to the 1st day of November, 1908, fir lumber was carried from Puget Sound to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, Montana, for 40 cents per hundred pounds and cedar shingles at 50 cents per hundred pounds and from Puget Sound to Omaha and other Missouri river points fir lumber was carried for 50 cents per hundred pounds, and cedar shingles for 60 cents per hundred pounds, the price on lumber and shingles to all points east of and beyond Duluth and St. Paul and to all points southeast of and beyond Omaha being fixed with reference to such 40-cent and 50-cent rate on lumber and such 50-cent and 60-cent rate on shingles respectively.

That prior to the 1st day of November, 1907, such railroad filed with the Interstate Commerce Commission and posted a tariff, to become effective on the first of November, 1907, by which the 40-cent rate above mentioned on fir lumber was increased to 50 cents, the 50-cent rate on fir lumber above mentioned was increased to 55 cents, the 50-cent rate on shingles was increased to 60 cents and the 60-cent rate on shingles was increased to 65 cents. As before stated, said complaint was filed before the Interstate Commerce Commission challenging the reasonableness of such increase of rates, resulting, after a full hearing, in the Commission fixing the following maximum

rates from Pacific Coast points to St. Paul, Minneapolis, Duluth and intermediate points east of Billings, on fir lumber 45 cents per 100 pounds and on cedar shingles from the territory last mentioned to 55 cents per 100 pounds, leaving the old rate to Omaha and other Missouri river points of 50 cents on fir lumber and 60 cents on cedar shingles as a maximum, and further provided that said rate should remain in force without being increased for the term of two years. That the maximum rates so fixed have been charged since such hearing.

That an action has been commenced by said railroad in the District Court of the United States for the District of Minnesota to review the maximum rates fixed by the Interstate Commerce Commission on the ground that the said maximum rates are so low as to amount to a confiscation of the property of such railroad, which action is still pending.

That of the interstate lumber and shingle tonnage carried by said railroad over its lines hereinbefore set out, 81 per cent. moves to St. Paul, Minneapolis and Duluth and points east and beyond and to intermediate points east of Billings.

No. 87.

That the cost of moving freight per ton mile decreases as the length of haul increases, due largely to the assembly and terminal charges incurred in the moving of freight. That after the haul passes a division and exceeds 400 miles the cost of movement per ton mile is not materially decreased by a continuing length of haul; that the average rate charged per ton mile on state lumber is 1.5162 cents and the average cost of moving a ton mile of state lumber is .5330 cents, while the rate now charged under the increased rate on interstate lumber is .7385 cents per ton mile and the average cost of moving a ton mile of interstate lumber is .3676 cents; that considering the rates state and interstate respectively from the standpoint of cost of service and value of service to the shipper, they are disproportionate, the state rate being too high or the interstate rate being too low.

That of the freight moved over the lines in this state in less than carload lots, the average rate charged on state business per ton miles is 6.0508 cents and the average cost of moving a ton mile of such freight is 3.4693 cents, the average rate charged on such freight interstate per ton mile is 1.9141 cents, and the average length of haul of such state freight is 84.6 miles and of such interstate freight 1242.5 miles, 251.2 miles of which is over the lines within the state. That 100 pounds of such state freight pays an average rate of 25.62 cents for 84.6 miles, while 100 pounds of such interstate freight moved over the same lines within the state of 251.2 miles for 24.5 cents.

That said railroad carried over its lines from Seattle to St. Paul large quantities of goods consigned from China and Japan

through the port of Seattle, consisting of teas, silk, curios, liquors, bamboo articles, matting, Chinese goods and other articles, and ships over its lines from St. Paul, consigned to China and Japan, large quantities of freight including cotton, cotton ducks, agricultural implements, bridge iron, car material, machinery and tobacco, which freight is carried in either direction for less than .49 cents per ton miles. That such freight east bound is received from the ships' tackle on the docks and handled through longshoremen employed by the railroad at its cost, and the same is moved on either limited freight trains or passenger trains, and such goods west bound from St. Paul are delivered by the railroad to the ships' tackle at the dock or is by it unloaded and stored in warehouses; that the cost of moving such freight either east bound or west bound is greatly in excess of the cost of moving the average ton of freight. That tea is moved from Seattle to St. Paul on passenger trains as aforesaid at the rate of 57.50 cents per 100 pounds, while the carload rate on tea or articles taking a similar classification from Tacoma to Spokane being loaded by the consignor is 100 cents per 100 pounds.

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff, superseding the tariff then in force, and which tariff becomes effective January 1st, 1909, by which the rates on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905.

The commission finds that if the rates now in force and now charged on interstate lumber shipments had been in force and charged during the years 1905, 1906, 1907 and 1908 and had normal conditions existed in 1907 and 1908, the earnings credited to the lines in the state of Washington on interstate business during said years would have been materially increased, to wit: In 1906, $152,578; in 1907, $171,934; in 1908, $650,337.

That since 1905 there has been an advance in rates on state freight as shown by the tariffs issued by the Great Northern Railway. Such advance, however, has been on items of small tonnage and the revenue derived from such business has not been materially increased. That there has been no advance in state grain, lumber, coal, logs, live stock, hay, fresh fruit and vegetables, brick, stone, sand and the commodities constituting the principal tonnage of the state

That on or about the 23rd day of October, 1908, said railroad issued its transcontinental west bound tariff, superseding the tariff then in force, which tariff becomes effective January 1st, 1909, by which the rate on freight from eastern points is generally advanced and raised over what said rates have been since long prior to 1905, the advance in such west bound freight being approximately as follows:

On reapers, mowers, headers, mower knife grinders, harvesters, hay teders, hay rakes and extra parts for same; hay presses (including horse powers for same) and extra parts thereof; horse rakes,

horse hay forks, hay carriers, hay loaders, hay slings, sweep rakes and hay stackers and extra parts for same; land rollers and soil pulverizers, manure spreaders and extra parts for same; threshers (including clover hullers and straw stackers), tank wagons, engine power on its own wheels and horse powers for the same and extra parts thereof; harrows, disc harrows with seeder attachments, plows cultivators, combination hand cultivators, seed drills, corn planters and potato diggers and extra parts for same; seed drills, including beet drills and extra parts for same; stump pullers and extra parts for same, iron wheels for cultivator implements, shovels, spades and scoops in packages, in carloads; cotton bags in bales or trusses, in carload lots; beans and peas, dried, split or whole, in sacks or barrels in carload lots; billiard tables, including toy billiard tables; K. D., slates or marbles, cues, cue racks, ball racks, composition pool or billiard balls, composition shake balls, shake bottles, pin pool boards, billiard marker buttons, billiard bridges, billiard cue tips, billiard chalk and billiard table covers; traction engines, cylinder water wagons or tank wagons in mixed carloads with traction engines; ginger ale, root beer and carbonated beverages (not alcoholic), mineral water in glasses or stone, boxed or in barrels or in bulk or in kegs or casks in L. C. L.; cider mills, bark mills, bone mills, corn, feed and paint mills, in less carloads; fish netting (cotton), in less carloads; ochre in packages in less carloads; hand pumps, not including bicycle pumps; force pumps made of iron or wood (not rotary), with or without brass valves and cylinders, drive well points and strainers and parts thereof, hydraulic rams, hand spray pumps, hand spraying machines and knapsack sprayers in carload lots; car wheels and axles, in carload lots; rice polish (rice dust), rice bran and rice hulls in packages, in straight or mixed carload lots; rubber boots and shoes, including tennis shoes, boxed, in less carloads; drag scrapers, sheep dipping liquid, boot trees and clamps, eyelets, shoe buckles, shoe hooks, metal shoe horns (not gold or silver plated) and shoe button hooks, shoe buttons, shoe pegs, school slates, in less carloads; stitching horses, K. D., boxed or crated; stone, rough, sawed or cut to dimensions and not polished; instructive toys for use in kindergartens, made in wood and paper; toy games, toy books, toys, tin, lead or iron; toy musical instruments, toy torpedoes and toy caps, in boxes or barrels; toy trumpets, boxed or crated; toy furniture, not including children's furniture; trucks (store and warehouse, including baggage wagons), baggage barrows, K. D., dollies and dry kiln and lumber trucks, farm wagons and common dump carts, dump wagons and hand or push carts, lumber buggies and extra parts thereof, wind mills and parts of same, including tanks and towers, wood or metal; wind mill pumps and pipe necessary to connect pump heads and cylinders; approximately 8 per cent.

On all articles taking class A rates specified in western classification under the head of agricultural implements (not including hand implements, farm wagons, trucks or gasoline engines) and also under

the head of agricultural implements and parts thereof, in straight or mixed carloads; feed and ensilage cutters, including horse powers, carriers, blowers or elevators for same; smut machines, fanning mills or grain cleaners and extra parts for same; barley forks (wooden), potato forks, hay or manure forks, spading forks, hoes, wooden or iron rakes, scythes and snaths, potato sorters and potato diggers, bitters in glass, packed in wood, in carload lots; blowers, forges and drills, when crated, approximately 7½ per cent.

On drain cleaners, in packages; mower knife grinders, boxed or crated; shovels, spades and scoops, in packages, in less carloads; cotton bags, in bales or trusses, in less carloads; baking powder and baking powder compound, boxed, in less carloads; rubber belting, in less carloads; leather belting, in less carloads; carpets, N. O. S., art carpet, rugs (invoice value not exceeding $100.00 each; carpet lining, in rolls or compressed in bales, in less carloads; cream of tartar, in boxes, in less carloads; creosote, in tank cars; cotton piece goods, in the piece (28 commodities specified), in less carloads; hemlock bark extracts, in less carloads; oak bark, in barrels or sacks, in less carloads; glassware, except cut, N. O. S. (in boxes or barrels), in less carloads; grindstones and frames, mounted or unmounted; hollow ware of cast iron, plain or enameled, including pots, kettles, skillets, spiders, scotch bowls, etc., in less carloads; anvils or anvils and vises combined, in carload lots; steel balls (rough or forged), bar and slab iron up to and including 6 inches in width, wrought, hoop or band iron, in carload lots; boiler iron, plate and sheet iron, N. O. S., not bent or punched; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in carload lots; iron or steel box straps, in carload lots; iron and steel butts and hinges, in carload lots; castings, N. O. S., in no way hand or machine finished, except being drilled with bolt holes; iron conductor pipes, eave troughs, elbow and trough hangers for same, in less carloads; forgings, rough, not further finished than being drilled with bolt holes, not over 32 feet in length and weighing less than 6,000 pounds; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, in carload lots; wooden screws, N. O. S., in boxes or kegs, in carload lots; saleratus and bi-carbonate of soda and soda carbonating compound, in less carloads; shafting, finished, with hangers, collars, couplings, cranks and crank shafts, in less carloads; iron and steel horse, mule and ox shoes, including toe chalks, in boxes or kegs, in carload lots; sucker rods, in packages, in carload lots; telephone, telegraph and electric line poles, cross arms and cross arm braces for same, in carload lots; telephone and telegraph pole steps, in packages, in carload lots; baling ties, in packages, in carload lots; lamp fixtures (not electric), in boxes, barrels or casks, including glass, plain or decorated, not exceeding a net cost of $3.00 per dozen, in less carloads; lanterns (not including magic, paper or toy lanterns), in boxes, barrels, casks or crates, in less carloads; liquors as follows, alcohol, including wood alcohol, high wines and pure spirits, in bulk in barrels or drums,

carriers' liability limited to $2.00 per gallon measurement, unless actual value is less, in carload lots; matches, in paper or wooden boxes, packed in metalic or wooden cases, in less carloads; matting, mats and rugs, rubber (including rubber bindings), paper, cocoa, straw, coir, corn, jute, grass, hemp and rope, in packages; mining car wheels, with or without axles, nails, spikes, wire fence, horse nails, in boxes, in carload lots; cement coated nails, in boxes or kegs, in carload lots; packing, N. O. S., including rubber packing; white or red lead or litharge, dry or in oil in cans (packed in boxes or barrels), or in barrels, casks, kegs, kits, boxes or iron drums; powder keg material, boxed, in carload lots; preservaline and savaline, meat preservaline, in packages; hand pumps (not including bicycle pumps), force pumps, made of iron or wood (not rotary), with or without brass valves or cylinders, and parts thereof when boxed; hydraulic pumps, in less carloads; rice flour, rice meal, rice flakes or flaked rice and broken rice, in carload lots; rubber springs, in packages; saddle trees, sad irons (not including electric, gas, gasoline or charcoal), and handles for same, in carload lots; scales and scale beams, N. O. S., not including computing scales, gold weighing scales or assayers' scales or apothecaries scales, in less carloads; wire, iron, plain galvanized, tinned or coppered, in carload lots; drag scrapers, in less carloads; silicated cloth (for blackboards), school slates, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, in carload lots; tinware, nested solid, window curtain poles, iron, plain or washed with brass; barbed wire, wire for fencing, including staples and steel stayguards and stretchers; wire fencing, in rolls (including not to exceed 12 stretchers, also including, if desired, staples, steel stayguards and wire fence gates), and coarse wire netting for fencing, in packages, in less carloads; wooden mats and flooring, approximately 6 per cent.

On hay rake teeth, in less carloads; wire cloth and nettin, boxed, in carload lots; ginger ale, root beer, carbonated beverages (not alcoholic), also mineral water, in glass or stone boxes, in barrels or bulk in kegs, barrels or casks, in carload lots; champagne, in boxes or baskets; mining cars and dump cars or parts thereof, also turntables, portable trucks for same, loaded on standard guage cars; toilet water (not including perfumery), wind mills, K. D., in packages; wind mill and tank towers, in packages; wall coating and wall finish, N. O. S., in carloads; glue, in boxes, barrels or kegs, approximately 12 per cent.

On plow beams, iron or steel, plow points, shares, lays and wings or mold boards, also plow and harrow discs, cultivators, shovels, road scrapers, blades, iron or steel, in less carloads; potato sorters and potato diggers, in mixed carloads; bath tubs, water closet bowls and cisterns, urinals, wash bowls, including stands, K. D., stationary wash tubs, cast iron or seamless steel, plain, painted and galvanized, granite lined or porcelain lined; bath tubs, cast iron, plain, painted, galvanized, porcelain lined, in straight carloads; bitters,

in glass, packed in wood; blowers, forges and drills, crated; wine, beer, whiskey or brandy, bottled (not including druggists' prescription bottles and bottles of similar shape); common soda water bottles (not siphon), in bulk or in boxes, casks or crates; lumber trucks and hand or logging cars, glass globes and chimneys for lanterns, in boxes, barrels or crates, also glass lamp chimneys, packed in double-faced corrugated paste board boxes (subject to restrictions), road scrapers, road machine grading plows, land graders and street rollers, in carload lots; crackers, matzos or matzos meal, cakes, fruit biscuit, pretzels, toast and shredded wheat biscuit, in boxes or barrels or in baskets or tubs with tight wooden covers or in tin cans or in paper cartons; machinery for creamery and cheese factories and parts thereof, medicines and chemicals, medicinal oils, witch hazel, medicinal and flavoring extracts and dye stuffs, N. O. S., in packages; medical and surgical plasters, surgical dressings and absorbent cotton, boxed; cotton duck and denims, in less carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in less carloads; enameled cloth and table and shelf oilcloth and covers, boxed, in less carloads; wigans, window shades, cloth or Hollands, uncut and undecorated, in less carloads; dynamos and electric motors and parts, extracts of beef and tomato bouillon, boxed, in carload lots; extract of coffee, in boxes, in carload lots; root beer, ginger ale and extract of lemonade, in carload lots; baby food, prepared, including malted milk and milkine, in boxes, in carload lots; sanitarium foods, N. O. S., in carload lots; corrugated furnaces or flues for marine boilers, egg beaters, files, corn poppers, traps, including 12 commodities; structural iron grouping, steam boilers under 30 feet in length, and fire brick for use in same; shafting, finished, including hangers, collars, couplings, cranks and crank shafts, in carload lots; plain shafting, without connections; tanks, including enameled or glass lined tanks, N. O. S.; locomotives and tenders, on flat cars (subject to rule 12); machinery and machines taking class A rate specified under machinery and machines in Western classification, inculding truss hoops, shingle machines, iron link belting, roller mills, pulley clutches, iron shafting, steam and oil separators, steam traps, cast iron exhaust heads, iron valves, water jackets for cylinders, iron gear wheels, windlasses, winches, ship steerers, beer pasteurizers, drag saws, with steam or horse power attachments, and stamp mill mortars, straight or mixed; meters, N. O. S. (except electric), boxed or crated; cider mills, bark mills, bone mills, grain, feed and paint mills, in carloads; mosquito netting and netting, in boxes or bales; oil well supplies, plaster (land), in packages, in carload lots; force pumps, steam, electric or other power, N. O. S., combined brass and iron and parts thereof; spraying pumps (hand power), quick silver flasks, in carload lots; railway supplies for steam or electric railways and air brake equipment, chairs, track braces, etc., refuse burner material with castings for grate bars, stands, draft doors and frames and spelt bottom (opening for refuse); rubber clothing, including

mackintoshes or garments or similar character and rubber gloves and soft rubber hats, boxed, in less carloads; circular saws, mill saws, crosscut saws and drag saws, on boards or boxed; saw blades, in packages, and band saws, crated, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds except in tin cans), also washing crystals, in carload lots; alfalfa, beet, clover, hemp, flax, garden, sunflower and sorghum seed, in less carloads; sewing machines and component parts, in boxes or crates, in carload lots; stills, oil refining and cooling tanks for same, in carload lots ;tricycles, velocipedes, children's, K. D., crated or boxed, in carload lots; children's toy wagons, toy wheel barrows, in mixed carloads; washing machines, including dish washing machines, boxed or crated, in carload lots, approximately 7 per cent.

On plow points, shares, lays, wings, mold boards, also plow and harrow discs, cultivator shovels, road scraper blades, iron or steel, in carload lots; ales, beer and porter, in wood or in glass, packed, in carload lots; baking powder and baking powder compound, in carload lots; bath tubs, water closets, bowls, cisterns, urinals, wash bowls, including stands, K. D.; stationary wash tubs, cast iron, plain or painted, galvanized, granite lined or porcelain lined, in less carloads; beer, beer tonic, malt extract, liquid bread, in glass or stone, packed, or in wood (subject to estimated weights provided in western classification), in carload lots; boots and shoes, N. O. S., in less carloads; knobs for furniture, locks and pictures, and sash locks and fasteners, in less carloads; toys, boxed, including marbles, toy alphabets, building blocks, banks and toys, N. O. S., in less carloads; tricycles and velocipedes, children's, K. D., in less carloads; bottles and flasks, glass, N. O. S., in less carloads; muscilage bottles, empty, with caps and brushes, in less carloads; wire cloth and netting, boxed, in less carloads; carpet lining, in rolls or compressed in bales, in carload lots; brick dryer cars, including dry kiln trucks, turn tables and transfers for same, in carload lots; creosote oil or tar oil, in bottles or in tin cans or in barrels, in carload lots; cotton piece goods, in the piece (28 commodities), in carload lots; enameled cloth and table and shelf oilcloth and covers, boxed, in carload lots; window shade cloth or Hollands, in the piece, uncut and undecorated, in carload lots; bedsteads, iron or brass; folding beds, iron; cribs, iron; institution beds, iron, K. D., in carload lots; matches, in paper or wooden boxes, packed in metalic or wooden cases, in carload lots; resin, in barrels, in carload lots; pitch and tar, in carload lots; soda ash, soda crystals, caustic soda, hyposulphite and nitrate and sulphate of soda, chloride of lime, in kegs, in carload lots, approximately 10 per cent.

On arsenate of lead, in packages, in less carloads; extract of beef and tomato bouillon, boxed, extract of coffee, in less carloads; extract of root beer, extract of ginger ale and extract of lemonade, in less carloads; baby food, prepared, including malted milk and milkine, in less carloads; sanitarium food, in less carloads; hollow

ware, agate, granite and enameled (including nickel, aluminum or britannia trimmed), boxed, in less carloads; insect poisons, in less carloads; sheet iron, No. 12 and lighter (black or galvanized), but exclusive of planished or Russian, not bent or punched, corrougated, N. O. S., including ridge rolls, roofing and siding, straight or mixed carloads, in carload lots; mince meat and pie preparations, in pails or tubs, when packed in boxes, crates or barrels, in kits or kegs, in less carloads; ochre, in packages, in less carloads; paints, in carload lots; cyanide of potassium, in boxes, in less carloads; spray pumps, spraying machines, hand, made of brass, in less carloads; broken rice and brewers' rice, in packages, in less carloads; toilet water (not inculding perfumery), in less carloads; refuse burner material, namely, castings for grate bars, stands, draft doors and frames, spelt bottom, plate iron, rolled and punched, angle bars, rivets, bolts, sprocket wheels, chains and not to exceed 4,000 pounds of wire cloth to each burner, in carload lots; rice polish (rice rust), rice bran, and rice hulls, in packages, in less carloads; road scrapers, road machine, grading plows, land graders and street rollers, in less carloads; tarred rope and tarred cordage, in carload lots; stove pipes, iron (cut to shape), nested solid, boxed or crated, in carload lots; syrup (corn, glucose, malt, maple and rock candy) and molasses glucose, in barrels, glucose jelly, in barrels, kegs, kits or pails, in carload lots; iron tacks, N. O. S., in boxes, kegs or barrels, in carload lots; twine and cordage, namely, cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and rope of all kinds, in carload lots; binding twine for harvesters, varnish, in barrels or in cans, boxed, in straight carloads or in mixed carloads with paints, approximately 5 per cent.

On leather belting, in carload lots; rubber or cotton belting, in carload lots; street cars, with or without motor attachments, loaded on flat cars, in carload lots; extract of hemlock bark, in carload lots; oak bark extract, in carload lots; cream of tartar, boxed, in carload lots; wooden file cabinets (including stands therefore, with or without letter or document files), in less carloads; glassware (except cut), in carload lots; grates, in packages, in carload lots; iron service cocks, in boxes or barrels, and iron service boxes and stopcock boxes, in less carloads; barn and parlor floor hangers, including track for same, in less carloads; iron vises, in boxes or barrels, in less carloads; iron hooks, ice tools, iron corners for trunks, pulleys, registers, wrenches and similar articles, including 80 commodities; chains, sash, crosscut saw handles, loging chains, coffee mills, fruit presses, tree pruners, saddlery hardware, plain or nickel-plated; door and window springs and similar articles, covering 43 commodities; hollow ware of cast iron, plain or enameled, including pots, kettles, skillets, spiders, Scotch bowls, in carload lots; anvils or anvils and vise combined, in less carloads; awning rods and holders, in boxes, barrels or crates, in less carloads; carriage and wagon axel boxes, in less carloads;

clevises, in boxes or barrels, in less carloads; conductor pipes, eave troughs and eave trough hangers for same, in carload lots; glass lamps and fixtures, plain or decorated (not electric), not costing to exceed $3.00 ped dozen, packed in boxes or barrels, in carload lots; gas or electric lamp shades or globes, common pressed or blown glass, in carload lots; lanterns (not including magic, paper or toy lanterns), in boxes, barrels or casks, in carload lots; cyanide of potassium, in packages, in carload lots; wood pulp, in packages, in less carloads; rice, broken and brewers rice, in packages, in carload lots; rubber clothing (not including mackintoshes and garments of similar character) and rubber gloves and soft rubber hats, boxed, in carload lots; rubber packing, in straight carloads or mixed with rubber packing and rubber belting, in carload lots; rubber corks, saleratus and bicarbonate soda and soda carbonating compound, in carload lots; salt, in carload lots; scales and scale beams, N. O. S. (not including computing scales, gold weighing scales nor assayers' or apothecaries' scales), all fragile parts boxed or crated, in carload lots; the following ship chandlery, ship building hardware, such as clews, thimbles, eye bolts, bolts, hooks, ring bolts, rowlocks, shackles and mast hoops, in less carloads; oars, both in carloads and less carloads; pulleys and blocks, in less carloads; windlasses (not steam), in less carloads; the following shoe findings, boot and shoe heels (leather or rubber) or wood covered with leather, soles (leather or rubber) and shoe counters, in less carloads; shoe rivets, in boxes or kegs, in less carloads; wire staples for button fastenings, in boxes or kegs, in less carloads; bob sleds, spiral bed springs, in boxes or casks, in less carloads; wire springs, N. O. S., in boxes or casks, in less carloads; the following stamped ware: Agate or enameled, also granite iron ware, N. O. S., in boxes, barrels or crates, and stamped ware, N. O. S., in boxes, barrels or crates, in carload lots; whetstones or scythe stones and sand stones, in less carloads; tin foil, in packages, in less carloads; tinware, in carload lots; sheet iron tubes one inch in diameter; type, boxed, in less carloads, approximately 9 per cent.

On brass valves, in carload lots; building cement or paving cement, in packages, in carload lots; cement work for building purposes; the following furniture: From machine or bench, unfinished, in the white, not mahogany, rosewood, ebony, black walnut or cherry, also wood seats for chairs, perforated or unperforated, unfinished, in the white; cast iron pipe and cast iron connections for the same in less carloads; leather, in boxes or rolls, as follows: Bellies, collars, heads, pieces, harness, rough, scrap (in sacks), tufts (in sacks), seal shirting, sole, splits, tanned goat skins (without hair), tanned sheep skins (without wool), walrus; brandy and New England rum, in bulk in barrels or drums, carriers liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; billets, blooms, ingots, muckbar and scraps, in carloads; gin in bulk, in barrels or drums, carriers' liability limited to $1.50 per gallon, unless

actual value is less, in less carloads; looking glasses, framed or unframed, and looking glasses, boxed, in carload lots; ferrules, combination brass and iron, in less carloads; pickles, N. O. S., including kraut, catsup, table sauce, N. O. S., mustard, prepared, olives, pepper sauce, vinegar, in bottles (packed) or in wood, horse radish and capers, in less carloads; soapstones, slabs and griddles, boxed, in less carloads, approximately 20 per cent.

On china and majolica ware, not including ornaments, in boxes, barrels or casks, in less carloads; cotton seed oil, foots for soap stock, in barrels or sacks; crockery, not including ornaments or plumbers' crockery, and queensware, in boxes, barrels, tierces, crates or hogsheads, in less carloads; earthenware (including earthenware jardiniers), packed in boxes, barrels, crates, casks or hogsheads, in less carloads; faucets, pewter, in boxes or barrels, in less carloads; sheet iron, punched for rivets, in crates or bundles, strapped or in boxes, in less carloads; wood pulp, in packages, in carload lots; files, including rasps, in boxes or barrels, in less carloads; elevator guides and fish plates and bolts, in carloads; stoneware, in boxes, barrels, crates, casks or hogsheads, approximately 15 per cent.; also copper goods (not silverplated), bolts, bottoms, nails, rivets, tacks, blanks and castings, boxed, in less carloads.

On cotton duck and denims, in carload lots; cotton drills, cotton sheetings and cotton bagging, bleached or unbleached, in carload lots; cotton yarn, straight carloads, in carload lots; axle grease, not including machine lubricant, including mineral or petroleum axle grease, in packages, in less carloads; hides and sreep pelts, green, in carload lots; fruit juice, N. O. S., and blackberry brandy, in wood, carriers' liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; liquors, in bulk, N. O. S., in barrels or drums, carriers' liability limited to $1.50 per measurement gallon, unless actual value is less, in less carloads; fish netting (cotton), in packages, in carload lots; caster, cocoanut, corn, palm, blubber, rape seed, dead, kalon, lard, linseed, neatsfoot, red, resin or "Y" and tallow and transformer oils, in less carloads; cotton seed oil, subject to refining in transit privileges as published in tariffs of individual lines on file with Interstate Commerce Commission, in less carloads; lucol oil, in less carloads; rice oil, in less carloads; rubber boots and shoes, including tennis shoes (canvas tops), boxed, in carload lots; yellow metal and yellow metal nails and spikes, in carload lots; toys, as described, in packages, straight or mixed carloads; wheel barrows, K. D., wheel barrow wheels and barrow carts, K. D., in carloads; window curtain poles, wooden, in carload lots; approximately 11 per cent.

On spool thread, cotton and linen, in cases or in cabinets, in less carloads; mattresses and frames, metalic wire cots, wooden folding cribs, with woven wire bottoms (K. D. or folded flat), wire and spring beds and bottoms and canvas cots, not upholstered, in packages, in less carloads, approximately 25 per cent.

On feathers and feather pillows, machine compressed in bales,

in carload lots; canvas telescope trunks and valices, in carload lots; trunks, empty or packed with traveling bags, telescopes and valises, or traveling bags, telescopes and valises, packed in cases, in carload lots; skids, in less carloads, approximately 18 per cent.

On ferrules, combination brass and iron, in boxes or barrels, in carload lots; rubber hose, with or without covering, in cases, crates or bales, in less carload lots; iron and steel angles, channel, beams, columns, girders, zees and tees, not over 32 feet long, in less carloads; iron and steel axles and axle boxes and nuts for wogans and carriages, range boilers, including stands for same, in carload lots; bolts, nuts, washers, nut locks, rivets, lag bolts and lag screws, in less carloads; iron and steel box straps, in packages, in less carloads; iron and steel hasps, hooks, hoop keeps, staples and lap links, in boxes, kegs or barrels, in less carloads; wood screws, N. O. S., in boxes or kegs, in less carloads; plain shafting, not over 32 feet long; iron and steel horse, mule and ox shoes, including toe calks, in boxes or kegs, in carloads; sucker rods in packages, in less carloads; telegraph, telephone and electric line poles, cross arms and cross arm braces for same, in less carloads; telegraph or telephone pole steps, in packages, in less carloads; baling ties, in packages, in less carloads; alcohol, including wood alcohol, high wines and pure spirits, in bulk, in barrels or drums, carrier's liability ilimited to $2.00 per measurement gallon, unless actual value is less, in less carloads; nails and spikes (not including railroad spikes or ship and boat spikes), cut or wire, N. O. S., in less carloads; horse nails, in boxes, in less carloads; cement coated nails, in boxes or kegs, in less carloads; paints, in less carloads; court plaster in packages, in L. C. L.; powder keg material, metal boxed, in less carloads; quicksilver flasks, in less carloads; car wheels and axles, in less carloads; rice, rice flour, rice meal, rice flakes or flaked rice and broken rice, in less carloads; rubber tubing, in cases, crates or bales, in less carloads; bar and slab iron, up to 6 inches wide, and rod, hoop and band iron, in less carloads; sad irons (not including electric, gas, gasoline or charcoal sad irons) and handles for same when packed with sad irons, in boxes, in less carloads; scouring, washing and polishing compounds, N. O. S. (not including liquid compounds, except when in tin cans, boxed), also washing crystals, in less carloads; ship and boat spikes, in less carloads; shoes, heads, rings, tires or dies (for quartz mills), cams and tappets, iron or steel, in less carloads; cast iron stoves, in less carloads; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, in carloads; portable fireplaces and grates for same, N. O. S., and portable steam radiating mantels, in carloads; stove pipe, including iron stove pipe cut in shape, nested, stove pipe elbows, tees and thimbles, in carload lots; tile, marble and slate, boxed or crated, in less carloads; tile, earthen or encaustic, for flooring and facing, plain or figured, glazed or unglazed, also enameled brick, in less carloads; tile and opalite glass, boxed or crated, in less carloads; varnish, in barrels or cans, boxed,

in straight carloads or in mixed carloads with paint, in less carloads; wall coating and wall finish, N. O. S., in boxes, barrels or casks, in less carloads; barbed wire fence, including staples and steel stayguards, in less carloads; iron wire, plain, galvanized, tinned or coppered (including, if desired, steel stayguards), in less carloads; wire rods, in less carloads; approximately 4 per cent.

On poultry food, namely, ground meat and bone, alfalfa meal, blood meal, clover meal, gluten meal, cut alfalfa, cut clover, grain screenings, millet seed, crushed shells and charcoal, in packages, in less carloads; yellow metal and yellow metal nails and spikes, in less carloads; washing machines, including dish washers, boxed or crated, in less carloads, approximately 14 per cent.

On knobs for furniture, locks and pictures, in packages, and sash fasteners and locks, in packages, in carload lots; butts and hinges (except spring), in boxes, kegs, barrels or casks, in less carloads; rails, including mining rails and saw mill track, and ties, iron or steel, including fastenings; shoddy rubber or reclaimed rubber, in packages, in less carloads; rubber junk, in less carloads; rubber tired (not pneumatic) for buggy and carriage wheels, boxed, in carload lots; sledges, wedges and mauls, iron or steel, in boxes, barrels or crates, in less carloads; solder, in less carloads; spirits of turpentine and turpentine substitutes, in barrels or in cases, in less carloads, approximately 13 per cent.

On carriage and wagon axles, in less carloads; buff leather, calf finished, including patent leather; finished kip, finished veal, finished wax leather, lace, latigo, chamois, tanned deer, tanned goat (with hair on), tanned shearling skins and tanned sheep skins (with wool on), in less carloads; salt, in packages, in less carloads; approximately 17 per cent.

On liquors, N. O. S. (including fruit juice, N. O. S., but not including champagne), in glass, packed, in less carloads; meat currie in packages, in less carloads; organs, melodians, pianos, mechanical pianos mechanical piano players and automatic slot pianos, boxed; pipe organs, also organ and piano benches, chairs and stools, in less carloads; tarred rope and tarred cordage, in less carloads; automobile springs, carriage and wagon springs and wagon bolsters and seat springs, N. O. S., also iron or steel axles, in less carloads; cotton, flax, hemp, jute, fleece, sail, spring, sisal, Manila and cotton seine twine and cordage and fish netting (cotton), in bales, boxes or barrels, and all kinds of rope, except wire, in less carloads; binding twine for harvesters, in less carloads, approximately 16 per cent.

On condensed milk, in hermetically sealed cans, boxed, or in bottles packed in boxes, in less carloads; rhubarb roots, dried, in packages, in carload lots; rubber tires (not pneumatic), for buggy and carriage wheels, boxed, in less carloads; bakers' ovens (sectional) steel and iron, K. D., and brick for same, in carload lots; gas and gasoline water heaters, instantaneous, with copper or nickel-plated jackets, boxed, in less carload lots; air-tight heating stoves (sheet

iron), with or without cast iron tops and base, in carload lots; iron fireplaces and grates for same, N. O. S., made of wrought or cast iron, also furnace grates, gas grates, boxed or crated; portable fireplaces and portable steam radiating mantels, iron lining, grate dampers and andirons (iron), in carload lots; stoves or grates, gas, oil and gasoline and ovens, boxed or crated, in carload lots; air or steam furnace castings, iron floor or wall ventilators, in carload lots; tacks, iron, N. O. S., in boxes, kegs or barrels, in less carloads; approximately 3 per cent.

On rhubarb roots, dried, in packages, in less carloads; bakers' ovens (sectional), steel and iron, K. D., and brick for same, in less carloads; approximately 2 per cent.

On crude rubber, in packages, in less carloads; approximately 40 per cent.

On pulverized silica or silex, in less carloads; approximately 50 per cent.

On soapstone, N. O. S., in less carloads; approximately 29 per cent.

On building terra cotta, boxed or crated; approximately 19 per cent.

On tin can tops, packed solid in boxes, in carload lots; approximately 30 per cent.

On tin can tops, packed solid in boxes, in less carloads; approximately 52 per cent.

On vanilla beans and tonka beans, boxed, carrier's liability limited to $1.00 per pound, unless actual value is less, approximately 21 per cent.

That had said rates as increased been in force and effect during the years 1905, 1906, 1907 and 1908 the earnings from interstate west bound freight would have been materially increased, towit: For the year 1906, $50,000.00; for the year 1907, $65,000.00; for the year 1908, $77,000.00.

That the interstate tonnage and ton miles moved over the lines of said road in this state on substantially all freight other than lumber and shingles very materially increased in the year 1907 over similar tonnage and ton miles moving in 1906 and equally increased in 1908 over similar tonnage and ton miles moving in 1907.

No. 88.

That following the system of accounts adopted by the railroad companies, the cost of operation hereinbefore set out has not included taxes paid on railroad property within the state; that the Great Northern Railway Company has paid taxes on its property in this state as follows:

For the year 1905, the sum of $140,747.81
For the year 1906, the sum of 172,057.26
For the year 1907, the sum of 344,548.33
For the year 1908, the sum of 457,577.51

No. 89.

That the earnings and expenses of operation hereinbefore set out as earnings and expenses of said road for the years 1905, 1906 and 1907 do not include the earnings from or expenses incurred in operating the Spokane Falls & Northern Railroad system, which includes the Spokane Falls & Northern Railway and the Columbia & Red Mountain Railway and the Washington & Great Northern Railroad, as during said years last mentioned roads were operated as separate and distinct corporations; that the earnings and operating expenses hereinbefore set out for the year 1908 includes the lines last mentioned.

No. 90.

That under the rates now charged the probable and estimated gross earnings of the said railroad from state business over its lines in the state of Washington for the year ending June 30th, 1909, is the sum of $5,647,668, and the estimated expense of earning the same, exclusive of interest on the value of the investment or of interest on the funded indebtedness and dividends on stock, is the sum of $3,086,767.

No. 91.

That based upon the relative cost of service and the relative value of the service rendered the shipper, the relative charge on state shipments is greatly in excess of the rates charged on interstate shipments.

No. 92.

That on the said line from Colbert to the international boundary, consisting of 125.84 miles, there are 410 curves, with an aggregate length of curved line amounting to 45.98 miles; that there is 79.80 miles of straight line; that there is 23.59 miles of level track; that there are 58 ascending grades, making an aggregate ascent of 1,682 feet, said ascending grades having an aggregate length of 46.72 miles; that there are 64 descending grades, making an aggregate descent of 2,150 feet and an aggregate length of descending grades of 55.53 miles.

That on said line from Northport to Peterson, consisting of 7.47 miles, there is 3.45 miles of straight track and 4.02 miles of curved line, aggregating 50 curves; that there is .58 miles of level line; that there is 5 ascending grades, having an aggregate length of 6.89 miles and making an aggregate ascent of 867 feet.

That on said line from Marcus to Laurier, consisting of 27.66 miles, there are 88 curves, having an aggregate length of 12.29 miles, and there are 15.37 miles of straight line; there are 11.79 miles of level line; there are 6 ascending grades, with an aggregate length of 15.32 miles and making an aggregate ascent of 402 feet; there are 2 descending grades, making an aggregate descent of 12 feet and having an aggregate length of .55 miles.

That on said line from Republic to Danville, consisting of 31.70 miles, there are 79 curves, with an aggregate length of curved line of 13.64 miles and 18.06 miles of straight line; there are 15.25 miles of

level line; there are 13 ascending grades, making an aggregate ascent of 696 feet and having an aggregate length of 15.81 miles; there are 3 descending grades, making an aggregate descent of 13 feet and having an aggregate length of .64 miles.

That on said portion of said line from Curlew to Midway, consisting of 14.52 miles, there are 31 curves, having an aggregate length of 6.46 miles; there are 8.06 miles of straight line; there are 4.27 miles of level line; there are 8 ascending grades, making an aggregate ascent of 109 feet and having an aggregate length of 8.94 miles; there are 3 descending grades, making an aggregate descent of 14 feet and having an aggregate length of 1.31 miles.

That on said line from Republic to Eureka, consisting of 9.80 miles, there are 48 curves having an aggregate length of 3.86 miles, and 5.94 miles of straight line; there are 1.39 miles of level line; there are 9 ascending grades making an aggregate ascent of 792 feet and having an aggregate length of 7.60 miles; there are 4 descending grades, making an aggregate descent of 87 feet and having an aggregate length of .81 miles.

That on said line from the International boundary line near Molson to International boundary line near Chopaka, consisting of 48.46 miles, there are 120 curves having an aggregate length of 20.79 miles, and 27.67 miles of straight line; there are 8.80 miles of level lines; there are 13 ascending grades making an aggregate ascent of 409 feet and having an aggregate length of 13.22 miles; there are 8 descending grades making an aggregate descent of 2802 feet and having an aggregate length of 26.44 miles.

That on said line from the Idaho state line to Leavenworth, consisting of 245 miles, there are 336 curves having an aggregate length of 64.25 miles, and 180.75 miles of straight line; there are 56.92 miles of level line; there are 86 ascending grades making an aggregate ascent of 2404 feet and having an aggregate length of 76.85 miles; there are 100 descending grades making an aggregate descent of 3339 feet and having an aggregate length of 111.23 miles.

That on said line from Hillyard to Spokane, consisting of 4.30 miles, there are 5 curves having an aggregate length of .67 miles and 3.63 miles of straight line; there are .57 miles of level line; there is one ascending grade making an aggregate ascent of 155 feet and having an aggregate length of 3.73 miles.

That on said line from Leavenworth to Seattle, consisting of 141.91 miles, there are 378 curves, having an aggregate length of 54.09 miles, and 87.82 miles of straight line; there are 31.96 miles of level line; there are 40 ascending grades making a total ascent of 2442 feet and having an aggregate length of 39.28 miles; there are 47 descending grades, making an aggregate descent of 3637 feet and having an aggregate length of 70.67 miles.

That on said line from Everett Junction to International boundary line near Blaine, consisting of 89.10 miles, there are 96 curves having a total length of 16.64 miles, and 72.46 miles of straight line there are

35.61 miles of level line; there are 38 ascending grades making a total ascent of 581 feet and having an aggregate length of 31.14 miles; there are 38 descending grades making a total descent of 429 feet and having an aggregate length of 22.35 miles.

That on said line from Anacortes to Rockport, consisting of 57.72 miles, there are 97 curves having an aggregate length of 12.17 miles; and 45.55 miles of straight line; there are 24.94 miles of level line; there are 32 ascending grades making a total ascent of 398 feet and having an aggregate length of 23.35 miles; there are 25 descending grades making a total descent of 233 feet and having an aggregate length of 9.43 miles.

No. 93.

That the relative volume of freight movement, relative rate and relative cost, state and interstate, is shown by the following table:

Commodity.	Ton Miles Handled.		Relative Rate.		Relative Cost.	
	State.	Interstate.	State.	Interstate.	State.	Interstate.
Less car loads	1,031,474	1,546,384	.471	.420	3.9423	1.
Grain	12,711,744	1,664,337	.147	.117	8820	1.
Lumber	2,123,708	34,851,693	.121	.109	1.4499	1.
Logs, etc	1,159,634	341,097	.056	.075	1.6635	1.
Coal	442,144	928,624	.112	.055	1.8235	1.
1st class	30,568	680,769	.373	.272	1.2065	1.
2nd class	3,886	243,776	.343	.313	1.2065	1.
3rd class	99,474	1,668,514	.204	.398	1.2065	1.
4th class	226,408	404,488	.390	.250	1.2065	1.
5th class	576,281	5,732,289	.213	.140	1.2065	1.
5th class	96,724	3,359,668	.213	.140	1.4287	1.
A class	110,068	1,309,627	.288	.261	1.2065	1.
A class	38,625	546,685	.288	.261	1.8258	1.
B class	45,592	227,525	.265	.263	1.2065	1.
C class	5,699	111,957	.140	.164	1.2065	1.
D class	498,303	2,807,675	.122	.110	1.2065	1.
D class	97,506	653,950	.122	.110	1.3836	1.
E class	336,732	213,426	.078	.068	1.2065	1.
E class	424,609	97,163	.078	.068	1.8574	1.

That there were 41,733,908 passengers carried one mile within the state and 21,145,473 passengers carried one mile within the state on interstate haul; the rate per passenger mile allowing for all revenues derived from operation of passenger trains was 2.8863 cents per passenger mile state, and 2.8107 cents per passenger mile interstate. The cost per passenger mile, allowing for all operating expenses connected with the operation of passenger trains, was .8781 per cent. per passenger mile state to 1. per cent per passenger mile, interstate.

No. 94.

That the fair cash market value of all the lines operated by the Great Northern Railway Company in the state of Washington on the 30th day of June, 1908, was and is the sum of $59,577,212.00.

No. 95.

From a consideration of all of the evidence and a consideration of the foregoing findings the commission concludes as a further fact that

the value of the property of the Great Northern Railway company in the state of Washington, used by it for the accommodation of the state business, was and is 45% of the total value of the property used for each of the years 1906, 1907 and 1908 as heretofore found, and the value of its property within the state used by it for the accommodation and use of interstate business was and is 55% of the total value of its property for each of the years 1906, 1907 and 1908; and that the present value of the property of said road used by it for state business is the sum of $26,809,745.40, and the present value of its property within the state used for interstate business is the sum of $32,767,466.60.

In reaching the conclusion as to the division of value of the property in accordance with the value of its use for state and interstate purposes, we have no precedent to guide us. This is a question that has never been fully presented to the courts. A partial presentation does not afford a proper precedent. The question as considered by this commission is almost wholly new.

We have considered several methods of division, among them the division of value acocrding to the net returns on state and interstate business. In this method both the actual net returns have been considered and the net returns as they should be when based on reasonable rates and under proper charge for operating expenses. The net returns can only be found in the consideration of an entire schedule of rates. The net returns on the schedule of state rates is easily ascertained. But the interstate rates applicable to this state constitute only a portion of the entire schedule of intersate rates, and these latter rates are beyond the jurisdiction of a state commission, and the net earnings on the entire schedule of interstate rates is not obtainable.

An objection to using actual net returns as a basis of division is the fact that such returns are based on the rates charged. Should a subsequent determination of the reasonableness of rates result in a material change in the schedule of rates, the net returns would be directly affected, entirely changing the division, thus rendering unstable the very foundation for determining such reasonableness of rates. Nor can the commission at this time say what a reasonable schedule of rates should be. That is a conclusion to be drawn after finding the value of the property used for the public convenience, in the conduct of state business, and is a matter for subsequent proceedings.

There is another objection to basing a division of value on net returns. If the interstate rates should yield no profit then there would be no division, but the entire value of the property would be assigned to state use. That portion of the schedule of interstate rates applicable to this state might yield unremunerative returns, while the entire schedule of interstate rates would yield reasonabl returns. Then the burden of unremunerative interstate rates within the state would be thrown on state traffic. Such method is variable, the result depending on the rate of returns allowed. It is not uniform, as it cannot be applied to all roads alike.

A further objection to the division of value on the theory of net returns is the fact that such theory involves the proposition that rates should be based, not on the cost of service, but on "What the traffic will bear and move." If the latter proposition is correct, then the division of value should be based on the value of the use to the shipper. With this view we cannot agree. Such view involves an examination into the profits of a shipper to determine if his business will stand an increase in rates and move. We believe this theory to be untenable from a rate regulation standpoint.

There are a number of methods by which the division of value as found by us can be determined, among them the following: Assume that each class of traffic, state and interstate, should yield a reasonable profit, and that such profit should be based on the cost of the service, the same relationship of profit to cost of service would exist in each case. Assuming a fair profit on interstate business and the same percentage of profit on the state business, then the relation of the profits in each case would determine the relative value of use.

The unit of measurement of freight movement is one ton hauled one mile, and the unit of passenger movement is one passenger hauled one mile. By ascertaining the number of tons hauled one mile and the number of passengers carried one mile, state and interstate, the relative volume of service is secured. Assuming that all tonnage, state and interstate, moved at the same rates per ton, regardless of classification and commodity, and at the same cost of service, then the division of value, as far as freight business is concerned, would be found in the relative volume of business done. The same assumption holds true as to the passenger movement. But as the rate charged varies in a different degree in the different classes and commodities, and the cost of performing the service varies, state and interstate, consideration has been given to the relative rate charged and the relative cost of service.

In carrying out the mathematical calculations, based on finding No. 93, necessary to reach the result, it is shown that the consideration of the relative rates at which freight actually moved in the different classes and commodities varied the result but little, so that a change in rates would but slightly affect the division. Such consideration of rates is necessary, otherwise a comparison could not be made of a state haul of a ton of coal and an interstate haul of a ton of silk.

There are two divergent theories on which to base a division of value. Such theories involve the underlying principles on which the reasonableness of a schedule of rates may be determined. One theory is based on "What the traffic will bear and move." The other, broadly stated, is based on the cost of the service. It is true that in the making of particular rates many matters beside the cost of service must be considered. But a division of value is based, not on a particular rate, but on an entire schedule of rates. The reasonableness of returns on such schedule must be based on the cost of service as a prime fac-

tor in such determination. This view is sustained by eminent authorities and appeals to common sense and fairness.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D. 1908.

JOHN C. LAWRENCE,
JESSE S. JONES,
Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

I concur in the foregoing findings except in finding No. 95. While this is denominated a finding of fact, it is more properly a conclusion drawn from the preceding findings.

I dissent from the conclusion reached for the reason that the facts found do not justify such conclusion or division of value. To my mind the value of the property used by the Great Northern Railway Company for the use and accommodation of the business of the state was and is,

For the year 1906, the sum of.....$31,155,000
For the year 1907, the sum of..... 35,391,200
For the year 1908, the sum of..... 37,885,147

And that that portion of the road within this state used for the accomdation of interstate business was and is,

For the year 1906, the sum of.....$18,845,000
For the year 1907, the sum of..... 16,608,800
For the year 1908, the sum of..... 21,692,063

That the value of the property used by the Northern Pacific Railway Company for the use and accommodation of the business of the state was and is (does not include Washington & Columbia River railroad for years 1906 and 1907),

For the year 1906, the sum of.....$39,520,000
For the year 1907, the sum of..... 39,900,000
For the year 1908, the sum of..... 41,917,210

(not including the proportion of betterment and additions added in 1908)

And that the portion used for the accommodation of the interstate business transacted thereon was,

For the year 1906, the sum of.....$64,480,000
For the year 1907, the sum of..... 65,100,000
For the year 1908, the sum of..... 68,391,240

(not including the proportion of betterments and additions added in 1908)

The object of the legislation providing for the Commission making a division of the property used for state and interstate business is apparent. Namely, that in regulating state rates we may know what proportion of the total value of the railroads line within the state it is entitled to earn a return upon the remainder from interstate freights and fares, over which the state has no control.

While Smith vs. Ames, 169 U. S. 467, lays down the rule positively that in ascertaining the return a road may be making on its property

within the state from state business, its earnings from interstate business cannot be taken into consideration, it does not say or intimate that in determining the division of value a consideration shall not be given to the interstate business or to the revenue that should be derived therefrom. In no other way can a division be made. The language used in Smith vs. Ames has received a construction on this point by the Supreme Court of Florida in State ex rel Railroad Commission vs. Seaboard Air Line Railroad Company, 48 Florida 129, where the court says, "In determining whether the rates of freight and passenger tariffs established by the Railroad Commission for railroad transportation are reasonable, no part of the earnings and losses interstate on foreign commerce can be charged to or against the income account of the transportation company; but its interstate and foreign business may and should be considered in determining the proportion of the value of the property of the company assignable to local business and for other purposes." What is meant by the language, "Relative value of the use to which each railroad is actually put in the carrying of intrastate and interstate business respectively?" The word "value" is used with reference to its well defined meaning. It does not depend upon the revenue received by the company, but as stated by the United States Supreme Court in Mississippi and Rum River Boom Company vs. Patterson, 99 U. S. 403, "The inquiry must be 'What is the property worth in the market viewed not merely with reference to the uses to which it is at the time applied, but with reference to the uses to which it is plainly adapted, that is to say, what is it worth from its availability for valuable purposes?'" This must be determined from the evidence in the case.

A railroad is valuable according to its adaptability and ability by charging reasonable rates to furnish net returns. It may have a very large volume of business, but if it costs as much for operating expenses as it receives, and if these conditions cannot be improved upon, it has no value. A railroad performing a dual service, state business and interstate business, may perform a volume of business interstate greatly in excess of its state business, but if the conditions are such that it cannot earn on its interstate business any substantial return over and above the cost of performing the service, and it can and does earn from its strictly state business a return on substantially the value of its entire property and if the state rates per se are not unreasonable, it must follow that the division of value of the use is substantially all used for state business. To illustrate, the value of a road is $100,000.00, the ton miles carried state one million, and interstate three million, the gross revenue derived from state business $12,000.00 and the expenses of conducting state business $6,500.00, the revenue derived from interstate business $7,000.00 and the expenses $6,000.00 and the total net returns $6,500.00. If 6½% is a reasonable return and a division is made based on the relation of the net returns it would give a value used for state business of approximately $84,920.00 and interstate business approximately $15,080.00, and a continuance of such reasonable rates,

state and interstate, would still give a return of $6,500.00. If, however, you make a division on any other basis an injustice follows either to the people or the railroads. Assuming that a basis of division is taken which fixed the value $60,000.00 state and $40,000.00 interstate, what is the result? It must be presumed that the state commission will perform its duty. Having found that the value of the road used for state business is $60,000.00 and that it is earning a return on $84,920.00 the schedule of rates should be at once reduced so that its returns from freights and fares will only render a reasonable return on $60,000.00 its value, leaving the remaining $40,000.00 to earn a return from interstate business. As it can only earn a return from its interstate business on $15,080.00 it is apparent that the division has resulted in allowing the road to earn a return on but $75,080.00, although the value of the property is $100,000.00. We are not without precedent on the proper manner of dividing the value. The circuit court of the United States for the district of South Dakota made a division of the value of the Chicago, Milwaukee and St. Paul road in South Dakota, between state and interstate uses so as to ascertain the effect of the schedule of rates promulgated by the railroad commission. The Supreme Court of the United States in reversing the lower court held (C. M. & St. P. R'y Co. vs. Tompkins, 176 U. S. 167). "We think, therefore, there was error in the failure to find the cost of doing the local business and that only by a comparison between the gross receipts and the cost of doing the business and ascertaining thus the net earnings can the true effect of the reduction of rates be determined." The trial court had made its division of values by a comparison of the gross receipts from state and interstate business respectively.

I desire to briefly analyze the findings of fact in which we have all concurred and the conclusions or division of value reached by myself and my associates respectively. I will first deal with the Great Northern railroad. The net earnings of the road as shown by the facts found, state and interstate, are as follows: For the year 1906, state, $1,914,958.00, interstate, $1,176,071.00. The findings of the Commission, however, show that the road had the capability of earnings and should have earned from its interstate business an additional $225,000.00, making the net earnings which the road was capable of earning for the year 1906 from interstate business $1,401,371.00. This would make a total net earnings from the lines in the state $3,316,029.00. Deducting from the present market value of the said road the value of the Spokane Falls & Northern system which was not owned or operated by the Great Northern in 1906, and its earnings not included in the above figures, deducting the betterments and improvements, new equipment purchased since said date and the value of the property used by it in 1906 was approximately $50,000,000.00. The company, therefore, earned in 1906, after deducting the taxes paid, less than 6½% on the value of the property. Assuming but not holding that 6½% is a reasonable return for it to make, what would be the effect of my division of value? Under the rates now charged or such as the findings show would be

reasonable, the company would still continue to earn a 6½% return on the valuation of $50,000,000.00. Under the division made by the majority of the Commission the company should have been limited to a return from state business of 6½% on $22,500,000.00 or $1,462,500.00 or a reduction of $452,458.00 over what it did earn in 1906. The facts as found show that it had an ability to earn only $1,401,071.00 on its interstate business. Thus it would have an ability to earn only 6½% return on $44,054,938.50, where can it earn a return on the remaining $5,945,061.50? It is deprived of the opportunity although there is no finding or intimation that the state rates are per se unreasonable.

For the Year 1907.

The state net earnings less taxes $1,914,958.00, interstate earnings less taxes $628,644.00, to this last sum add $270,000.00 the amount as shown by the findings it had a capability of earnings under proper rates from its interstate business and we have $898,644.00 its capacity for earnings from interstate business. This makes a total net earning capacity of $2,813,602.00 or somewhat less than 5½% on the valuation of $52,000,000.00, the value of the property used that year as shown by the findings. Assuming but not holding that 5½% is a reasonable return what would have been the effect of my associates' division of value? The company should have been limited to a return from state business of 5½% on $23,400,000.00 which at 5½%, the same rate, would amount to $1,387,000.00 or a reduction of $627,958.00 from its net returns. It was capable of earning from interstate business but $898,644.00, making a total return of $2,185,644.00 or a return of 5½% on $41,557,163.63. What has become of its right or power to earn a return on the remaining $10,442,836.37? It has been lost by the division made and that much of its property confiscated. Under the division made by me a continuance of these state rates charged and the earnings from the capabilities of the property on interstate business would still net it a return of 5½% on $52,000,000.00.

For the Year 1908.

The gross revenue received from state business, finding No. 86, $5,058,309.00, reasonable operating expenses in conducting state's business including the state's proportion of taxes, $2,792,087.00 net returns state $2,266,222.00; gross revenue received from interstate business, finding No. 86, $3,553,299.00, reasonable operating expenses for conducting interstate business including its proper proportion of taxes $3,006,028.00 net returns interstate $547,271.00. By making a proper allowance for the demoralized condition of the lumber and shingle traffic, allowing for the increased rate on lumber as fixed by the Interstate Commerce Commission, allowing for the increased westbound traffic, and reasonable rates on east and west bound Oriental traffic, the interstate earnings should have been increased $750,337.00, making a net return that should have been received from interstate business of the sum of $1,297,608.00. The road was, therefore, able to and should

have earned as net returns from all sources $3,563,830.00, or a return of a little less than 6% on $59,577,212.00 the value of its property, used as found in finding No. 94. Under my associates' division the road should have been limited to a reasonable return from state business upon $26,809,745.40, leaving it to earn a return on the remaining $32,767,466.60 from its interstate business. But we are confronted with the fact that it can only earn from such sources $1,297,608.00, or, if the return be figured at its present earnings and as before figured 6% on $21,628,800.00, what has become of its power to earn a return on the remaining $11,140,666.60? It has been lost by the division made, and if 6% is a reasonable return, that proportion of the company's property has been confiscated. Under the division made by me the company will be permitted under schedule of rates now charged to earn a 6% return if the volume of business continues and the rates continue from its state and interstate business on the value of its property found.

I will not take the time to analyze the effect of the division made of the Northern Pacific property, but simply say that a similar analysis will show that under the division made by me the Northern Pacific will be able to earn by charging reasonable rates, an ample return from state rates on the value assigned by me as used for the accomodation of the business of the state and will still be earning from its interstate business a sum greatly in excess of a reasonable return on the value assigned for that purpose and that under the division made by my associates the Northern Pacific will be permitted to charge the people of this state a sum in excess of reasonable returns and will still be making an unreasonably large return from its interstate business.

The theory adopted by my associates upon which they arrived at the division is in brief as follows: "That the ton miles of each commodity and class carried state and interstate, multiplied by the percentage which the rate actually charged bears to "one," or in the table and formula adopted, to the first class distance tariff rate, and the resulting product multiplied by the relative cost of moving the commodity or class, state and interstate, gives the relative value of the use of the road for hauling the ton mile, state and interstate respectively." This must be based upon the assumption that there is, first, a fixed relation between the cost of service and a reasonable and proper rate and upon the further assumption that each ton mile of the same or a similar commodity should return a profit based upon the relative cost of the service performed in handling the ton mile. Both assumptions are denied by experienced traffic men, by all political economists and recognized authorities on rate making. That the cost of service is and should be considered and is an important element in judging of the reasonableness of the rate is conceded by all, but that it is so controlling as to become the basis of an inflexible mathematical formula is a new idea and one never before advanced so far as my researches have shown. Prof. Hadley in his valuable work, "Railroad Transportation" on this subject says, at page 112: "A great deal of freight of small value is carried not merely at less than the average rates, but at less

than the average cost; that is at rates which applied to the whole business of the road, would not pay expenses. Many people assume that such business is an actual loss to the road and that other business is taxed to make up for it. This is a fallacy. Any rate which will more than cover the expenses of moving the cars and handling the goods is a paying rate, provided the business can be had on no other terms. If it is a question of filling the cars that must otherwise be returned empty, any rate which more than covers the mere difference in expense between running them full and running them empty, is a paying rate. If a manager rejects such business because it is not paying its share of the fixed charges (as distinct from train expenses) he would make a great mistake. He would reduce his business and leave those charges the same. The fixed charges must mainly be borne by the lines of business that can best afford to pay them, that is by the valuable goods. The earliest freight tariffs involved little or no classification. Each step towards our present system has been accompanied by increased efficiency. It has made the cheap traffic possible, and has helped the high class traffic more than it has hurt it. To do away with this would be a long step backward. If our railroads made it a rule to carry nothing at less than the average cost of doing the whole business, they would give up nearly all the coal trade and a great deal of the grain trade. It would give us dear food and dear fuel, and would injure both the railroads and the districts which they serve."

Judge Noyes, in his work, "American Railroad Rates," uses the following language at page 42: "If it were feasable to prepare a tariff based upon cost of service alone, the result would be unjust. Expense of transportation must largely be based upon the bulk of the article, and the cost principle would often impose the heaviest burden upon the cheapest goods. It costs a railroad more to transport a carload of coal a hundred miles than a carload of drygoods half the distance. But if the rate were fixed solely on a basis of cost, the price of the coal would be made prohibitive. Moreover, high rates upon bulky articles of small value, such as lumber, coal, grain and iron ore necessarily curtail production, and, consequently reduce the amount of freight offered for transportation. If such rates were made by law, railroads would be absolutely prevented from building up communities along their lines through handling raw materials cheaply. They would be debarred from assisting—in the very way American railroads have been most potent in assisting—in the development of the country." This subject received the earnest consideration of the Interstate Commerce Commission and in its report for 1887 it used the following language: "It was very early in the history of railroads perceived that if these agencies of commerce were to accomplish the greatest practicable good, the charges for the transportation of different articles of freight could not be apportioned among such articles by reference to the cost of transporting them severally, for this, if the apportionment of cost were possible, would restrict within very narrow limits the commerce in the articles whose bulk or weight was large as compared

with their value." On the system of apportioning their charges strictly to the cost, some kinds of commerce which have been very useful to the country, and have tended greatly to bring its different sections into more intimate business and social relations, could never have grown to any considerable magnitude, and in some cases could not have existed at all, for the simple reason that the value at the place of delivery would not equal the purchase price with the transportation added. The traffic would thus be precluded, because the charge for carriage would be greater than it could bear. On the other hand, the rate for the carriage of articles which, within small bulk or weight concentrate great value, would on that system of making them be absurdly low—low when compared to the value of the article, and perhaps not less so when the comparison was with the value of the service in transporting them. It was, therefore, seen not to be unjust to apportion the whole cost of service among all the articles transported, upon a basis that should consider the relative value of the service more than the relative cost of carriage. Such method of apportionment would be best for the country, because it would enlarge commerce and extend communication; it would be best for the railroads because it would build up a large business, and it would not be unjust to property owners, who would thus be made to pay in some proportion to benefit received. Such a system of rate making would in principle approximate taxation; the value of the article carried being the most important element in determining what should be paid upon it."

Mr. Elliott on railroads, second edition, section 1684G, says: "Many elements are to be considered in fixing rates. The cost of the service to the carrier is an important factor, but it is not controlling in or of itself. If conditions were always the same and the cost of service the same throughout, a ton mile rate would be ideal; and the length of transportation is usually very important; although conditions and circumstances are usually so different that it is not a controlling feature." Mr. Elliott then quotes with approval the following considerations laid down by the Interstate Commerce Commission in the case of Hilton Lumber Company vs. Wilmington, etc., Railway Company, 9 I. C. C. 17, wherein it enumerated the following as among the most important matters to be considered in making rates: (1) The value of the service to the shipper, including the value of the goods and the profits he could make out of them by shipment. This is considered the ideal method when not interfered with by competition or other features. It includes the theory so strenuously contended for by petitioners, the commission and its attorneys, of making the finished product carry a higher rate than the raw material. This method is considered practical and is based on an idea similar to taxation. (2) The cost of service to the carrier would be an ideal theory, but is not practical, such cost can be reached approximately, but not accurately enough to make this feature controlling. It is worthy of consideration, however. (3) Weight, bulk and convenience of transportation. (4) The amount of product or the commodity in the hands of a

few persons to ship or compete for, recognizing the principle of selling cheaper at wholesale than at retail. (5) General public good, including good to the shipper, the railroad company, and the different localities. (6) Competition, which the authorities as well as experts in their testimony in this case, recognize as a very important factor. None of the above factors alone are considered necessarily controlling as a matter of law. It is a question of fact to be decided by the proper tribunal in each case as to what is controlling."

The Railroad Commission of Minnesota established a rate on coal which rate the roads insisted if applied relatively on all freight would deprive it of any return and thus confiscate its property. The Supreme Court of the United States in Minnesota & St. Louis R. D. Co. vs. Minn. 186 U. S. 257, says: "It does not follow that the companies are entitled to earn the same percentage of profits upon all classes of freight carried. It often happens that to meet competition from other roads at particular points, the companies themselves fix disproportionately low rates upon certain classes of freight consigned to those points. The right to permit this to be done is expressly reserved to the Interstate Commerce Commission by section four of that act notwithstanding the general provisions of the long and short haul clause and has repeatedly been sanctioned by decisions of this court. While we have never decided that the commission may compel such reduction we don't think it beyond the power of the state commission to reduce the freight upon a particular article providing the companies are able to earn a reasonable profit upon their entire business.

Beale & Wyman on Railroad Rate Regulation say, at section 475: "The exact cost of carriage therefore, or such approximation to it as may be possible, can never be used as the sole or the determining factor in a particular rate."

But, assuming that the cost of service theory is proper in determining the reasonableness of a rate, then the result reached by my associates is clearly wrong. The result to be obtained was the value of the use state and interstate. They obtain this by giving consideration only to the charges actually made and to the cost of service actually incurred, without regard to the reasonableness of the charge made or expense incurred. The findings of the Commission in which we all concurred demonstrated that Oriental east and west bound freight is and has been carried at a ridiculously low rate, whether you adopt the cost theory or consider all elements that may be considered. The Interstate Commerce Commission after a full hearing decided that a 12½% increase was justified in hauling interstate lumber. The roads have themselves advanced their westbound freight from 3 to 35% and there is a finding that state rates are relatively much in excess of the interstate rates whether you consider them on the basis of the cost of the service or the value of the service to the shipper. If my associates had used their formula in the first instance to revise the rates charged and thus ascertain the amount that should have been received on these shipments state and interstate, and then

further applied the formula, the accuracy of their result would have depended upon whether their formula was correct or otherwise. If, in ascertaining the value of the use, consideration must be given to the tonnage carried under reasonable and proper rates, the conclusion reached cannot be correct for the reason that their formula has been applied to a consideration given, not to reasonable rates, but, as the findings show to in many instances grossly unreasonable rates and charges.

When we bear in mind the object of the provision of the statute making it incumbent upon the Commission to make this division of value, namely, to ascertain the proportionate value upon which the road is entitled to earn a return from state traffic it must be apparent that the same general rules must apply in making such division as would be used in dividing the value of any plant or enterprise used for a dual purpose. A manufacturer uses his plant for working up a by-product in connection with his general business. A farm is used for general farming and for dairy purposes and we will assume that conditions are such that both lines must be carried on. In either case the proprietor desires to keep a separate set of books and in opening same it is necessary to charge to capital invested a proportionate amount of the total investment. How would it be done? In the case of the farmer a field is used for raising a crop and before and after the crop it is used for pasture. The same barn is used to house his cattle and store his crop and the same team plows the field and hauls the milk to the shipping depot. The house shelters the laborers engaged in each line of employment and they are fed at a common table. It may be impossible to tell with mathematical accuracy the exact cost expended in either line, but it can be approximated with reasonable certainty. The revenue can be accurately ascertained. The gross revenue from the dairy business may greatly exceed the gross receipts from the farm, but the operating expenses may be so heavy that his net returns from the farm may double that from the dairy. His total investment is $10,000.00; being of a philanthropic turn he determines that a 6% return is all that he should make on his investment. What would happen if he would divide the value of his plant on any other theory than what the net returns should be? If in case the cost of running the dairy is greater than that connected with the farm he divides his value $6,000.00 for dairy and $4,000.00 for farm and then sells his farm products at such a reduced price that will net him only $4,000.00 and he can only receive a return by reason of competition on other causes, from his dairy on $4,000.00. He has surely lost a return on $2,000.00 and it is due to his manner of making the division. No mystery surrounds a division of railroad property. Expert evidence is necessary and was used to ascertain the proper division of cost, of operating expenses, and revenue derived and the total value of the property, the movement of traffic, and its effect, but these facts being found a division does not depend upon expert knowledge and the application of rules and formulas familiar to experts only, but it is

ascertained by the good old fashioned rule of substracting your operating expenses from your gross receipts in each case thus ascertaining your net returns from each class of business and the relation such net returns bear to each other is the relative value of the use to which the property is put. The majority opinion says: "An objection to using actual net returns as a basis of division is the fact that such returns are based upon the rates charged. Should a subsequent determination of the reasonableness of rates result in a material change in the schedule of rates the net returns would be directly affected. entirely changing the division thus rendering unstable the very foundation for determining such reasonableness of rates."

The language of Justice Brewer in Chicago & N. W. Ry. Co. vs. Dey et al., 35 Fed Rep. 866, is so apt I quote it: "It is stated that it cannot be determined in advance what the effect of a reduction in rates will be. Often times it increases business. Who can say that it will not in the present case so increase the volume of business as to make it remunerative, even more so than at present. But speculations as to the future are no guides for judicial action. Courts determine rights upon existing facts. Of course there is always a possibility of the future. Good crops may increase the transportation, business and poor crops reduce, high or low rates may likewise effect; but the only fair judicial test is to apply the rates to the business that has been done in the past and see whether upon that basis such rates will be remunerative, or compel the transaction of business at a loss."

My associates also state as a reason for their division, "That a portion of the schedule of interstate rates applicable to this state might yield unremunerative returns, while the entire schedule of interstate rates would yield reasonable returns; then the burden of unrenumerative interstate rates within the state would be thrown on the state traffic." Justice Brewer answers this contention as follows: "Again it is stated that this complainant road runs through other states; these states may impose no schedule of rates, part of its business is interstate and only Congress can limit that; so that from the business elsewhere revenues may be earned which will enable it to make up any deficiency in this state. But the invalidity of this schedule [division] does not depend upon legislation or action elsewhere. If this schedule [division] may be put in force here and a similar one may be in Illinois, Minnesota and other states through which the company's road runs. For some purposes its property in this state is separate and distinct from its property elsewhere and out of this property within this state it is entitled to receive compensation. Robbing Peter to pay Paul has never been judicially sanctioned."

I will ask my associates how they will apply this schedule to a road like the Tacoma Eastern, the entire line being in the state of Washington, under the following assumed state of facts, not unreasonable to contemplate. From its report it appears that 96% of its tonnage is

forest products. Let us assume that these forest products are manufactured along the line of its road; that the market is St. Paul and east; that it is able to make traffic arrangemnets with one of the transcontinental roads by which its proportion of the through rate pays it but a trifle in excess of the cost of service. We will assume that the rate charged is only one-third of the average rate, and that the cost of service is one-half of the average cost of service; my associates would therefore find the value of the property as follows: 96 multiplied by one-third multiplied by one-half equals 16, interstate use; 4 multiplied by 1, multiplied by 1 equals 4, state use. The relative relation interstate and state is as 16 to 4.

If the value of the property is $5,000,000.00 the Tacoma Eastern should make from its interstate business a return on $4,000,000.00 and from state business a return on $1,000,000.00. Here we would be confronted with the fact that it would be impossible for it to make a dollar return on its interstate business and from its state business it would be limited to a return on $1,000,000.00, although it had $5,000,000.00 invested and, although the traffic arrangements which it made with the transcontinental road ought to be of advantage both to it and the community that it was serving.

The majority opinion errs wherein it says "The theory (of net returns) involves the proposition that rates should be based not on the cost of service but on what the traffic will bear and move." It does involve a consideration of that element, it also involves the cost of service to the carrier, the value of the service to the shipper, competition, the density of traffic of the particular commodity under consideration, the effect upon the public as well as the railroads and every element that the evidence shows should have a bearing in the particular case. It simply says that it cannot be based on cost of service alone, or any other single element which may be very proper for consideration.

For the foregoing reasons I find myself unable to agree with the majortity of the commission in the conclusion reached and have felt it my duty to reach the conclusion above set out.

H. A. FAIRCHILD,
Chairman of Commission.

EXHIBIT A.

Is a map annexed to original findings and reproduced only on certified copies showing in red the tide lands owned by the Great Northern lying south of Seatle boulevard and east of Fourth avenue.

EXHIBIT B.

Is a map annexed to original findings and reproduced only on certified copies showing commercial property of the Great Northern at Smith's Cove.

Exhibit C.

GREAT NORTHERN RAILWAY COMPANY.

Classification of Train, Engine and Car Miles, and Rules for Apportioning Operating Expenses to Accounting Divisions.

Taking Effect July 1, 1907.

CLASSIFICATION OF TRAIN MILES.

Revenue Service.

1. Freight

Includes miles run by revenue-earning trains to transport freight, which do not regularly include a car or cars devoted exclusively or principally to revenue passenger business; also miles run by trains consisting of empty freight cars and of trains consisting of an engine and a caboose running light between terminal stations on account of unbalanced traffic or other causes. When milk, express, baggage or other cars are hauled in a freight train and their earnings are classed as freight earnings, the miles of the train should be considered as freight train miles. Freight trains that regularly haul no passenger service equipment, but transport passengers in a caboose should be classed as freight trains, as should also freight trains temporarily using a passenger car in place of a caboose.

2. Mixed

Includes miles run by revenue-earning trains to transport both passengers and freight in cars, each of which is devoted exclusively to either passenger business or freight business.

NOTE—Milcage of Mixed Trains is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

3. Passenger

Includes miles run by revenue-earning trains to transport passengers, baggage, mail and express, also miles run by trains consisting of deadhead passenger equipment. When one or more cars other than regular passenger-train cars, such as milk cars, cabooses deadheaded back, etc., are hauled in a passenger train, the miles run by that train should be considered as passenger train miles.

4. Special Service

Includes miles run by revenue-earning trains, such as chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts

calling for payment of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

NOTE—Mileage of Special Service Trains is to be apportioned to "Passenger" and "Freight," according to the class of service.

Non-Revenue Service.

Includes miles run by trains which are not revenue producing, such as:

(a) Of the Passenger Class: Pay-trains, official trains, inspection trains for Railway Commissioners, special trains run to convey fire apparatus for use in saving the company's property from destruction by fire and trains run to convey employees to and from work;

(b) Of the Freight Class: Material and supply trains;

(c) Of the Work Class: Construction trains, trains hauling gravel or other ballast, or engaged in bank widening, ballasting and other maintenance work; wrecking trains, repair trains, snow plows and flangers.

Rules for Computation of Train Miles.

1. Revenue Train Miles should be based on the actual distance run between terminals and computed from the official time-table or distance table, the same as for Passenger Miles, Ton Miles and Car Miles.

2. Revenue Passenger trains and Revenue Mixed Trains may incidentally carry private cars, official cars, work or service cars, or cars of related classes; and Revenue Freight Trains may incidentally carry cars containing railway material and supplies, or other freight which does not earn revenue; but whole trains of such cars should be regarded as non-revenue trains and classed accordingly.

3. Non-Revenue Train Miles should be based on the actual distance run between terminals. When work trains are run between terminals and not ordered to work at some specified point or within specified working limits, they should be allowed the actual miles run, the same as any other class of trains. When ordered to run to a certain point to work at that point or within specified working limits, they should be allowed the actual miles made while under running orders and in addition an arbitrary mileage of six miles per hour for the time working at the point or within the working limits named.

4. Each train and each section of a train run by a separate train crew, should be considered a separate train, whether hauled by one or more locomotives for either the whole distance or a part of the distance between the train terminals. There should be nothing added to this distance to cover running from roundhouse to terminal, doubling hills running for water, switching or other work at way stations, or for the service of helper or pusher engines or the extra engines on double or triple-head trains.

5. Mileage of trains detoured over foreign roads when hauled by the engines and handled by the crews of the home company should

be computed on the basis of miles actually run and classied by the detouring line in its train mileage in accordance with the service performed.

CLASSIFICATION OF LOCOMOTIVE MILES.

Revenue Service.

1. **Freight.**

Includes miles run by locomotives between terminals or stations with freight trains.

NOTE.—The mileage of locomotives hauling cabooses only, either for the purpose of hauling traffic or in returning after delivering traffic moving in opposite directions, should be included in "Freight—Light.'

2. **Freight**—Helping.

Includes miles run by locomotives while assisting freight trains either as pushers or as double-headers; also miles run while hauling the second cut of a freight train doubled over grades.

3. **Freight**—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses, going for or returning from service designated in No. 1; miles run by light locomotives going to or returning from assisting freight trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a freight train doubled over grades; miles run light by locomotives of a freight train to and from next coaling station or water tank for coal or water; miles run light to pick up or assist a freight train at stations between train terminals; miles run to pick up and haul dead freight train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from freight-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

4. **Mixed.**

Includes miles run by locomotives between terminals or stations with mixed trains.

5. **Mixed**—Helping.

Includes miles run by locomotives while assisting mixed trains either as pushers or double-headers; also the miles run while hauling the second cut of a mixed train doubled over grades.

6. **Mixed**—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 4; miles run by light locomotives going to or returning from assisting mixed trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a mixed train doubled over grades; miles run light by mixed train locomotives to and from the next coaling station or water tank for coal or water; miles run light to pick up or assist a mixed

train at stations between train terminals; miles run to pick up and haul dead locomotives from mixed trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from mixed-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Mixed Locomotive Miles is to be apportioned one-fourth to "Passenger" and three-fourths to "Freight."

7. Passenger.

Includes miles run by locomotives between terminals or stations with passenger, mail and express trains.

8. Passenger—Helping.

Includes miles run by locomotives while assisting passenger, mail and express trains either as pushers or double-headers.

9. Passenger—Light.

Includes miles run by locomotives going for or returning from service designated in No. 7; miles run by light locomotives going to or returning from assisting passenger trains, as pushers or double-headers; miles run light by locomotives of a passenger train to and from the next coaling station or water tank, for coal or water; miles run light to pick up or assist a passenger train at stations between train terminals; miles run to pick up and haul dead passenger-train locomotives into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from passenger-train service, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

10. Special Service.

Includes miles run by locomotives in special revenue service, such as locomotives hauling chartered trains, paid for either on the basis of a rate per mile run or a lump sum for the train; circus and theatrical trains run under contracts calling for payments of specified amounts for transportation between designated stations; chartered trains for the Federal or State Governments, carrying troops, munitions of war, camp outfits, etc.

11. Special Service—Helping.

Includes miles run while assisting special service trains as defined in No. 10, either as pushers or double-headers; also the miles run while hauling the second cut of a special service train doubled over grades.

12. Special Service—Light.

Includes miles run by locomotives between terminals or stations, with or without cabooses or passenger-train cars, going for or returning from service designated in No. 10; miles run by light locomotives going to or returning from assisting special service trains, as pushers or double-headers; miles run light returning to train after having hauled the first cut of a special service train doubled over grades; miles run light by locomotives of special service trains to and from the

next coaling station or water tank, for coal or water; miles run light to pick up or assist a special service train at stations between train terminals, miles run to pick up and haul dead locomotives from special service trains into terminals; also miles run by locomotives coming from or going to enginehouses or turntables from special service trains, provided no miles will be allowed for this latter service if the distance be one-half mile or less in one direction.

NOTE.—Secial Service Locomotive Miles is to be apportioned to "Passenger" and "Freight," according to the class of service.

13. Switching.

Includes miles allowed to locomotives while switching in yards (but not locomotives switching exclusively at shops for shop purposes), and allowed train locomotives for performing switching service at terminals or way stations. Switching miles to be computed at rate of six miles per hour for the actual time engaged in such service in excess of one hour at any one station.

Miles run by switch locomotives helping trains out of terminals will be treated as "Freight—Helping," "Passenger—Helping," etc., according to the class of the train helped. The light miles run by switch locomotives returning to the yard after such helping service will be treated as "Freight—Light," "Passenger—Light," etc., according to the class of the train helped.

NOTE.—Switching locomotive miles is to be apportioned to "Passenger" and "Freight" according to the class of service.

Non-Revenue Service.

Includes miles run by locomotives in the different classes of service described under "Non-Revenue Service Train Miles," and, in addition, trial trips of locomotives, to be computed as follows:

(*a*) In the case of trains of the freight class or of the passenger class, and for trial trips of locomotives, the actual miles run by the locomotives.

(*b*) In case of trains of the work class, when orders are given to a work train to run to a certain point, work between certain limits, and then return, the actual time card mileage will be allowed between points named in running order, and, in addition, six miles per hour for time held between working limits. Work locomotives employed for switching at shops for shop purposes, for spotting cars in gravel pits, working with pile drivers, etc., should be allowed a mileage of six miles per hour for the actual time in service.

Rules for Computation of Locomotive Miles.

1. All locomotive miles made in hauling trains, except in Helping and Work Train Service, should be based on the actual distance run between terminals, to be computed from the official time-tables, or distance-table, as prescribed for Train Miles.

2. Helping miles of locomotives should be based on the actual distance made with trains in helping service or in doubling hills.

3. Work train locomotive miles should be arrived at as prescribed for Work Train Miles.

4. Light locomotive miles should be based on the actual distance locomotives are run light, or with only a caboose for the entire distance between terminals.

CLASSIFICATION OF CAR MILES.

Revenue Service.

Freight.

1. Loaded.
   Includes miles run by all loaded freight cars in freight service.
2. Empty.
   Includes miles run by all empty freight cars in freight service.
3. Caboose.
   Includes miles run by caboose cars in freight service.

Passenger.

4. Passenger Coaches.
   Includes miles run by home and foreign passenger coaches, combinations of passenger and baggage, passenger and mail and passenger and express cars, chair and club cars, either in service or deadhead.
5. Sleeping, Parlor and Observation Cars.
   Includes miles run by home and foreign sleeping, buffet, parlor and observation cars, either in service or deadhead.
6. Dining Cars.
   Includes miles run by home and foreign dining, cafe and other cars devoted exclusively to the serving of meals or other refreshments, either in service or deadhead.
7. Other Passenger Train Cars.
   Includes miles run by home and foreign baggage, combination baggage and express and combinations of baggage, mail, postal and express cars; by home and foreign mail, postal and express cars; by business cars and by milk cars in passenger trains; either in service or deadhead.

Special Service.

8. Freight—loaded.
9. Freight—empty.
10. Caboose.
11. Passenger Coaches.
12. Sleeping, Parlor and Observation Cars.
13. Dining Cars.
14. Other Passenger Train Cars.

Includes miles run by the foregoing cars under their appropriate classes, in special revenue service as defined in the Classification of Train Miles.

Non-Revenue Service.

Includes miles run by cars in non-revenue trains as defined in the Classification of Train Miles, and as subdivided above under the head of "Special Service," items 8, 9, 10, 11, 12, 13 and 14.

RULES FOR APPORTIONING OPERATING EXPENSES TO ACCOUNTING DIVISIONS.

Note "A."—The term "Accounting Division" covers not only the divisions established by the Company for its own purposes but the further subdivisions of these when the line involved runs in more than one state, necessary in the preparation of reports to the various states.

Note "B."—By "Track Mileage" is meant the mileage of main, second, third and fourth tracks, yard, passing and spur tracks, sidings and wyes. The mileage at the close of the previous fiscal year is to be used subject to revision on account of the addition during the year of new main, second, third or fourth tracks with their yards, sidings and passing tracks. The addition during the year of yard, passing and spur tracks and sidings not laid in connection with new main tracks, or similar tracks taken up, need not be considered until the revised mileage for a fiscal year is used.

Note "C."—When in making the apportionment it is impracticable to use current train, car or engine mileage, such figures for the preceding month will be used.

Maintenance of Way and Structures.

Under the general heading "Maintenance of Way and Structures," all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Ballast.
Ties.
Rails.
Other Track Material.
Roadway and Track.
Tunnels.
Bridges, Trestles and Culverts.
Over and Under Grade Crossings.
Grade Crossings, Fences, Cattle Guards and Signs.
Snow and Sand Fences and Snow Sheds.
Signal and Interlocking Plants.
(Note.—Repairs should be apportioned according to the location of the tower.)
Telegraph and Telephone Lines.
Buildings, Fixtures and Grounds.
Docks and Wharves.
Maintaining Joint Tracks, Yards and Other Facilities—Dr.
Maintaining Joint Tracks, Yards and Other Facilities—Cr.

Charges to the following named primary accounts can not be entirely localized, and should be apportioned as follows:

Superintendence.

Charges to this account should be localized in so far as the duties of those officers are local to an accounting division, and similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of track mileage over which they have jurisdiction.

Removal of Snow, Sand and Ice.

The cost or expense of removal of snow, sand and ice should, as far as possible, be located to accounting divisions. Any charges that can not be so located should be apportioned on the basis of track mileage of the territory involved.

Roadway Tools and Supplies.

The expenditure should be localized as far as possible. Such expenditures as can not be localized should be apportioned on the basis of cost of labor expended on localized work done in the current month by the gangs to which such tools and supplies are furnished.

Work Equipment—Repairs.

Running Repairs should be localized as much as possible. Such expenditures as can not be allotted to one Accounting Division, including General Repairs, should be apportioned on the basis of track mileage of the entire line.

Note.—The cost of repairing damages caused by accidents should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipmnt.

Work Equipmnt—Renewals.

Charges should be apportioned on the basis of track mileage of the entire line.

Note.—The cost incident to replacement of work equipment (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment.

Work Equipment—Depreciation.

Charges should be apportioned on the basis of the track mileage of the entire line.

Injuries to Persons.

Charges to this account should be localized as far as possible; and charges that can not be localized should be apportioned on the basis of track mileage of the territory involved.

Stationery and Printing.

The cost of stationery and printing used for maintenance of way and structures purposes should be apportioned on the basis of track mileage maintained.

Insurance.

Premiums for insurance on maintenance of way and structures should be localized; except upon work equipment, which should be apportioned on basis of track mileage maintained.

Other Expenses.

Charges should be localized as far as possible; unlocalized expenses should be apportioned on the basis of track mileage affected.

Maintenance of Equipment.

Under the general heading "Maintenance of Equipment," all charges to the following named primary accounts can be localized and should be apportioned to the Accounting Division on which located:

Maintaining Joint Equipment at Terminals—Dr.

Maintaining Joint Equipment at Terminals—Cr.

Charges to the following accounts can not be entirely localized, and should be apportioned as follows:

Superintendence.

Charges should be localized in so far as the duties of those officers are local to an accounting division; similar expenses of officers having jurisdiction over more than one accounting division should be apportioned on the basis of total revenue service engine miles over which they have jurisdiction.

Steam Locomotives—Repairs.

The cost of Running Repairs should be apportioned on the basis of the mileage of the individual locomotives in the current month and the cost of General Repairs should be apportioned on the basis of the mileage of the individual locomotives since the last General Repairs. The cost of repairing damages caused by accident should be localized to the extent of the damage done, to be determined by the officer in charge of equipment. Charges that can not be assigned to individual locomotives should be apportioned on the basis of the total revenue service engine miles of the current month.

Steam Locomotives—Renewals.

Cost of Locomotive (less depreciation written off and salvage) taken out of service on account of accidents, should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges should be apportioned on the basis of the total revenue service engine miles for the preceding fiscal year.

Steam Locomotives—Depreciation.

The monthly Depreciation should be apportioned on the basis of the total revenue service engine miles for the current month.

Passenger Train Cars—Repairs.

Freight Train Cars—Repairs.

The cost of repairing passenger and freight cars should be apportioned on the basis of the mileage of such cars, respectively, of the

current month, except in cases of damage by accidents, in which event, the estimated damage done, to be determined by the officer in charge of equipment, should be localized to the Accounting Division on which the damage occurred.

Passenger Train Cars—Renewals.

Freight Train Cars—Renewals.

The cost incident to replacement of freight, passenger and dining cars (less depreciation written off and salvage) retired from service on account of accident should be localized to the extent of the estimated damage done, to be determined by the officer in charge of equipment. Other charges on this account should be apportioned on the basis of the mileage of passenger, freight and dining cars, respectively, for the preceding fiscal year.

Passenger Train Cars—Depreciation.

Freight Train Cars—Depreciation.

Charges to these accounts should be apportioned on the basis of the mileage of passenger, freight and dining-cars, respectively, for the current month.

Shop Machinery and Tools.

If a shop is under the charge of a territorial superintendent, the expenditures should be apportioned over that superintendent's territory on basis of Revenue Train Mileage for the current month.

When the operations of the shop are applicable to the entire road, the expenditures should be apportioned on the basis of Revenue Train Mileage of the whole road.

Injuries to Persons.

Charges to this account should be localized by shops as far as possible and should be apportioned on the same basis as charges for machinery and tools at the shop. Charges that can not be localized should be apportioned on basis of total revenue train mileage for the current month of the territory involved.

Stationery and Printing.

The cost should be apportioned on the basis of the total revenue train mileage for the current month.

Insurance.

Premiums for insurance of equipment should be apportioned to "Locomotives, Passenger Train Cars, Freight Train Cars" and "Floating Equipment," and the amount allotted to each class of rolling stock should be apportioned by Accounting Divisions on the basis of the mileage of that class for the current month. In the case of Floating Equipment, charges should be apportioned equally to the accounting divisions involved.

Other Expenses.

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage of the current month.

Equipment Borrowed—Dr.

Charges on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Charges on account of passenger cars should be apportioned on the basis of total passenger car mileage for current month. Charges on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

Equipment Loaned—Dr.

Credits on account of freight cars should be apportioned on basis of total freight car mileage for the current month. Credits on account of passenger cars should be apportioned on the basis of total passenger car mileage for the current month. Credits on account of locomotives and work cars should be apportioned on the basis of total revenue service engine mileage for the current month.

Traffic Expenses.

The primary accounts incident to traffic expenses chargeable to freight traffic should be apportioned on basis of revenue freight train mileage, those chargeable to passenger traffic on basis of revenue passenger train mileage, and those not naturally chargeable to either passenger or freight, or which may be common to both, on basis of the total revenue train mileage, for the current month.

Transportation Expenses.

Under the general heading "Transportation Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions on which they occur, viz.:

Station Employees.
Yard Masters and their Clerks.
Yard Conductors and Brakemen.
Yard Switch and Signal Tenders.
Yard Supplies and Expenses.
Yard Enginemen.
Enginehouse Expenses—Yard (See Enginehouse Expenses—Road).
Fuel for Yard Locomotives.
Water for Yard Locomotives.
Lubricants for Yard Locomotives.
Other Supplies for Yard Locomotives.
Operating Joint Yards and Terminals—Dr.
Operating Joint Yards and Terminals—Cr.
Water for Road Locomotives.
Interlocking, Block and Other Signals—Operation.
(Note.—Should be apportioned according to location of tower.)
Crossing Flagmen and Gatemen.
Draw Bridge Operation.
(Note.—Should be apportioned equally to Divisions.)
Clearing Wrecks.

Operating Joint Tracks—Dr.

Operating Joint Tracks—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned as fololws:

Superintendence.

Charges should be localized in so far as the duties of the officers are local to a division; similar expenses of officers having jurisdiction over more than one division should be apportioned on the basis of total revenue train mileage for the current month.

Dispatching Trains.

When the jurisdiction of any train dispatching office is confined to one Accounting Division, the expenses of that office should be so charged, but when the jurisdiction extends over two or more Accounting Divisions, the apportionment should be on basis of total revenue train mileage for the current month.

Weighing and Car Service Associations.

The expenses of Weighing Associations and Inspection Bureaus should be localized so far as possible on the basis of the location of the employees of such Associations and Bureaus; the unlocalized expenses should be apportioned on the basis of the localized expenses. The expenses for car service associations should be apportioned on the basis of the total track mileage on June 30 preceding, within the territory over which such Car Service Associations has jurisdiction.

Station Supplies and Expenses.

Charges should be localized as much as possible. Cost of items that can not be allocated to accounting divisions (such as car seals for general distribution to freight stations) should be apportioned on the basis of train mileage for the current month.

Road Enginemen.

The wages paid road enginemen should be localized as to engine runs. When one run covers two or more accounting divisions the expense of that run should be apportioned to divisions on the basis of the actual mileage of that run on each.

Enginehouse Expenses—Road.

The expenses chargeable to Road Locomotives should be localized as to engine runs; if a run covers two or more accounting divisions the expense should be apportioned upon the actual mileage of that run embraced in each accounting division.

Fuel for Road Locomotives.

Lubricants for Road Locomotives.

Other Supplies for Road Locomotives.

The cost of fuel, lubricants and other supplies for road locomotives should be apportioned on the basis of the mileage of the individual locomotives in the current month. Charges that can not be assigned

to individual locomotives, such as sand, will be apportioned on the basis of the total revenue service engine miles for the current month.

Road Trainmen.

The wages paid road trainmen should be localized as to train runs; when one run covers two or more accounting divisions, the expense of that run should be apportioned on the basis of the actual mileage on each division in the current month.

Train Supplies and Expenses.

The cost of train supplies and expenses should be apportioned on the basis of revenue passenger, freight and mixed train mileage (according to the class of service involved) of the current month.

Telegraph and Telephone—Operation.

Charges to this account should be localized as far as possible. Charges which can not be localized should be apportioned on basis of total revenue train mileage of current month.

Stationery and Printing.

The cost should be apportioned on basis of total revenue train mileage for the current month.

Insurance.

Premiums for insurance incidental to transportation expenses should be localized as far as possible; unlocalized expenses should be apportioned on basis of total revenue train mileage for the current month.

Other Expenses.

Charges should be localized as far as possible; expenses which can not be assigned to an individual accounting division should be apportioned on basis of total revenue mileage for the current month.

Loss and Damage—Freight and Baggage.

Charges to Loss and Damage—Freight and Baggage, should be localized as far as known. Unlocated Loss and Damage should be apportioned on the basis of road mileage over which the particular shipment was consigned. Pay and expenses of adjusters should be apportioned on basis of the total revenue freight or passenger train mileage, respectively, for the current month, of the accounting division involved.

Damage to Property.

Damage to Stock on Right of Way.

Injuries to Persons.

Charges to these accounts should be localized as far as possible; unlocalized items should be apportioned on the basis of the total revenue train mileage for the current month of the accounting divisions involved.

General Expenses.

Under the general heading "General Expenses" all charges to the following named primary accounts can be localized and should be apportioned to the accounting divisions in which they occur, viz.:

General Administration Joint Tracks, Yards and Terminals—Dr.

General Administration Joint Tracks, Yards and Terminals—Cr.

Charges to the following named primary accounts can not be entirely localized and should be apportioned to accounting divisions, as follows:

Salaries and Expenses of General Officers.

Salaries and Expenses of Clerks and Attendants.

General Office Supplies and Expenses.

Insurance.

Stationery and Printing.

Charges to these accounts should be apportioned to the accounting divisions on the basis of total train mileage for the current month.

Law Expenses.

Law expenses should be localized as far as possible. When such expenses relate to two or more accounting divisions they should be apportioned on the basis of total revenue train mileage for the current month.

Relief Department Expenses.

Relief department expenses should be apportioned throughout each fiscal year on basis of number of relief department members located in each accounting division on the 30th day of June preceding.

Other Expenses.

Charges should be localized as far as possible. Unlocalized expenses should be apportioned on the basis of the total revenue train mileage for the current month.

FINDINGS OF FACT APPLICABLE TO THE OREGON RAILROAD & NAVIGATION COMPANY.

Finding No. 1.

That the Oregon Railroad & Navigation Company is a corporation organized and existing under and by virtue of the laws of the state of Oregon and is the owner and is engaged in operating a line or lines of railroad extending through Oregon, Washington and into Idaho and is engaged as a common carrier in the carriage of freight and passengers for hire. That said road owns and operates 882.34 miles, 262.21 miles of which is within the state of Washington. That in addition thereto the said road operates the Columbia & Palouse Railroad, having a mileage of 144.80 miles, 142.44 miles of which is within the state of Washington; the Walla Walla & Columbia River Railroad, having a mileage of 35.52 miles, 30.18 miles of which is within the state of Washington; the Snake River Valley Railroad, with a mileage of 65.85 miles, all of which is within the state of Washington; the Columbia & Southern Railroad Company, with a mileage of 69.46 miles, and the Columbia River & Oregon Central Railroad Company, with a mileage of 45.31 miles—no portion of said last two mentioned lines being within the state of Washington.

The said railway company, in conjunction with the Northern Pacific Railway Company, operate the Northern Pacific Terminal Company under lease, having a mileage of 2.54 miles, none of which is in the state of Washington.

Making a total mileage operated by said road of 1,245.82 miles, 500.68 miles of which is within the state of Washington. That the main line of said road within the state of Washington extends from the Oregon-Washington boundary line near the Columbia river northerly to Spokane, with numerous branch lines connected therewith, some of which branch lines extend into the state of Idaho, and the main line of the said O. R. & N. Co. extends from a point near the Washington-Oregon boundary westerly to Portland, Oregon, and easterly to Huntington, Oregon.

That in the year 1893 the lines of the Oregon Railway & Navigation Company defaulted in the payment of their fixed charges and a receiver for the said lines was appointed and the said lines remained in the hands of a receiver until August 17, 1896, when said corporation was reorganized under the name of the Oregon Railroad & Navigation Company, the holders of the outstanding bonds sur-

rendering the same and accepting in lieu mortgage bonds of the reorganized company, and said property was purchased at foreclosure sale by the Oregon Railroad & Navigation Company.

That a more detailed statement of the capitalization of said company is hereinafter set out.

No. 2.

That that portion of the main track and main line of the Oregon Railroad & Navigation Company extending from the Oregon-Washington boundary, near the Columbia river to Wallula, and consisting of 6.1 miles, was constructed by the Oregon Railway & Navigation Company about the year 1881; that in the construction of said line, in its present condition, exclusive of the sums chargeable to betterments and improvements, the Oregon Railway & Navigation Company expended the sum of $190,928.39, and that there has been charged to betterments and improvements on said line the sum of $18,605.07, making a total expenditure on said portion of said line as shown by the records and books of said company, amounting to the sum of $209,533.46. That in order to reproduce the grading of said road in its present condition it would be necessary to move 48,562 cubic yards of earth a distance of not to exceed 300 feet, 31,105 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent 25,240 cubic yards a distance of 100 feet in excess of the 300 feet free haul allowance.

It would be necessary to place 1,838 cubic yards of riprap.

That to produce the bridges, trestles and culverts of said line it would be necessary to construct 64 lineal feet of pile bridges, and steel truss bridge No. 221, as now existing across the Walla Walla river, said bridge being a through Pratt truss, 175 feet in length, containing two concrete abuttments necessitating an excavation above water of 239.5 cubic yards, of 43.4 cubic yards below water, the placing of 3.56 cubic yards of cut stone and 282.5 cubic yards of concrete masonry requiring 418,542 pounds of steel and 178 lineal feet of floor system, 759 feet board measure of lumber in wooden boxes, 30 cubic yards of stone masonry in culverts, 60 feet of 24-inch cast-iron pipe. That subsequent to the construction there has been 6,231 cubic yards of earth used in filling bridges and trestles, which is not included in the grading quantities mentioned above; that to reproduce said lines it would be necessary to lay 24,003 ties; 917.10 tons of steel rails, the same requiring 116,936 pounds of rail splices; 12,295 pounds of bolts, 51,528 pounds of spikes, 13,710 light tee plates, 1,520 rail braces and 1,100 pounds of nut locks. That for the purpose of ascertaining the cost of reroduction it is estimated that to reproduce new the frogs and switches on the line would cost in place the sum of $2,312. That to reproduce the ballast on the said lines it would be necessary to ballast with earth 6.1 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $600 per mile.

That to reproduce the line it would be necessary to lay 8.34 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700 per mile.

That in order to reproduce the said line it would be necessary to place tie plates thereon, the labor for which is estimated for the purpose of ascertaining the cost of reproduction, to cost the sum of $205.

That it would be necessary in order to reproduce the said line in its present condition to construct 12 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost, at present prices, to reproduce the same new, the sum of $431.24. That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of $184.46.

That the station buildings along the said line consist of a standard two-story station building at Wallula containing 8,861 square feet floor area, and for the purpose of ascertaining the cost of reproduction the furniture and fixtures therein are estimated to cost the sum of $310.

No. 3.

That that portion of the main track and main line of the Oregon Railroad & Navigation Company extending from Wallula to Grange City, and being 65.9 miles in length, was constructed by the Snake River Valley Railroad Company about the year 1899, said Snake River Valley Railroad Company being a corporation organized and existing under and by virtue of the laws of the state of Oregon, having a capital stock of 10,000 shares of the par value of $100 per share, making a total capitalization of $1,000,000, of which $750,000 worth has been issued and is now owned by the Oregon Railroad & Navigation Company; that said Snake River Valley Railroad Company was a subsidiary company of the Oregon Railroad & Navigation Company; that the Oregon Railroad & Navigation Company advanced from its treasury the funds necessary to construct the said line. Since the same was constructed said line has been operated by the Oregon Railroad & Navigation Company; that the total amount expended by the Snake River Valley Railroad Company and the Oregon Railroad & Navigation Company in the construction of said lines, and for betterments and improvements, down to the 30th day of June, 1907, was the sum of $1,819,881.63; that on the 15th day of June, 1907, the said railroad company authorized an issue of $2,000,000 worth of bonds, $1,500,000 of which bonds were issued and delivered to the Oregon Railroad & Navigation Company, which now own said bonds.

That in order to reproduce the grading on said road, in its present condition, it would be necessary to move 1,814,849 cubic yards of earth a distance of not to exceed 300 feet, 60,063 cubic yards of loose rock a distance of not to exceed 300 feet, 395,100 cubic yards of solid rock a distance of not to exceed 300 feet, 376,308 cubic yards of

cemented gravel a distance of not to exceed 300 feet, 214,408 cubic yards of shell rock a distance of not to exceed 300 feet, 182,994 cubic yards of solid rock borrow a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 1,550,586 cubic yards a distance of 100 feet in excess of the said 300-foot free haul allowance. It would be necessary to place 108,450 cubic yards of riprap, requiring 1,226 cubic yards of earth excavation. That along said line there is now 12,804 lineal feet of sidetrack, the grading for which is not included in the grading quantities above mentioned, which grading for the purpose of ascertaining the cost of reproduction is estimated at a cost of 40 cents per lineal foot; that to reproduce the line in its present condition it would be necessary to construct 1,993 lineal feet of timber-lined tunnels, requiring 1,993 lineal feet of tunnel excavation, 5,413 cubic yards of tunnel enlargements, 728,090 feet board measure of timber, and 12,549 pounds of iron.

That to reproduce bridges, trestles and culverts on said line it would be necessary to construct 1,241 lineal feet of pile bridges and 172 lineal feet of frame trestles, one pony Howe truss bridge 42 feet long, 836,525 feet board measure timber in culverts and wooden boxes, and 24 feet of 36-inch cast-iron pipe; that to reproduce said line, including side tracks, it would be necessary to lay 212,455 ties, 8,350.84 tons of steel rails, such steel rails requiring 1,164,009 pounds of splices, 113,101 pounds of bolts, 458,412 pounds of spikes, 4,420 rail braces, 142,370 light tie plates, and 11,920 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of $5,440, in place. That to reproduce the ballast on said line it would be necessary to ballast with earth 65.87 miles, which for the purpose of reproduction is estimated to cost $600 per mile. That to reproduce the line in its present condition it would be necessary to lay 72.39 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at $700 per mile. That in order to reproduce said line it would be necessary to lay tie plates, which for the purpose of ascertaining cost of reproduction, the labor therefor is estimated at $2,136.

That it would be necessary in order to reproduce said line in its present condition to construct 115 miles of barbed wire fence, and 3 miles of sand fence.

That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce new the sum of $1,811.

That in order to reproduce said line in its present condition it would be necessary to install two train order signals, which for the purpose of reproduction are estimated to cost, in place, $225 each.

That the interests of the Oregon Railroad & Navigation Company in the telegraph line along said line would cost to reproduce new the sum of $1,988.61.

That the station buildings along said lines consist of 1,320 square feet floor area of Oregon Railroad & Navigation Company's standard

one-story frame station building. That the fiixtures for said station buildings for the purpose of reproduction are estimated to cost $68.

That in order to reproduce said line it would be necessary to construct water stations, which for the purpose of estimating the cost of reproduction are estimated to cost new $7,231.75.

That the miscellaneous structures along said line consist of 6,071 square feet of floor area of O. R. & N. standard White section houses, 3,035 square feet floor area of Oregon Railroad & Navigation Company's standard Chinese section houses, 5,608 square feet floor area of tool, coal and miscellaneous sheds, 697 square feet of water closets, 896 square feet of oil, sand and pump houses, 8,200 square feet of miscellaneous platforms, 4,112 square feet of ice houses, 3 mail cranes, 420 lineal feet of track sheds and 60 water barrels.

No. 4.

That that part of the main line of the Oregon Railroad & Navigation Company in Washington extending from Riparia to La Crosse was constructed by the Oregon Railway & Navigation Company, the grading thereof being largely completed about the year 1883, such grading was abandoned and thereafter, about the year 1888, the said line was completed at a total cost down to the first day of June, 1907, including improvements and betterments, of $931,261.50.

That in order to reproduce the grading on said line in its present condition it would be necessary to move 340,876 cubic yards of earth a distance of not to exceed 300 feet, 6,557 cubic yards of loose rock a distance of not to exceed 300 feet, 12,584 cubic yards of solid rock a distance of not to exceed 300 feet, 26,047 cubic yards cemented gravel a distance of not to exceed 300 feet, 2,000 cubic yards of boulder gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 362,017 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That it would be necessary to place 13,791 cubic yards of riprap.

That along said line there is now 7,663 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, the grading of which side tracks, for the purpose of ascertaining the cost of reproduction is estimated at a cost of 40 cents per lineal foot.

That in order to reproduce said line in its present condition, in addition to the grading quantities above set forth, it would be necessary to move and place for the purpose of bank widening 70,061 cubic yards of earth.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 224 lineal feet of pile bridges, 1,623 lineal feet of frame trestle and 450 lineal feet of combination pile and frame bridges; bridge A-0 crossing the Snake river being a through Pratt truss draw bridge, consisting of two 325 feet through

Pratt trusses, and one 352-foot draw span, 2 concrete abutments, and 3 concrete piers, it being necessary to excavate above water 1,210 cubic yards, to excavate below water 2,880 cubic yards, to place 3,503.13 cubic yards of concrete masonry, to place 2,539.62 cubic yards of cut stone, to place in superstructure 2,111,723 pounds of steel, to place in superstructure 3,335 pounds of cast iron; it would require for the caissons 706,630 feet board measure of timber, 114,986 pounds of iron, 70,063 pounds of steel cutting edges; it would require 75,000 pounds of equipments for the draw center 16,891 lineal feet of piling under piers, 1,009 lineal feet of floor system, 75,000 lbs. draw center equipment, and that it would cost for channeling, filling, ripraping and placing rock in crib $14,070, the above unit not including any material for false work, said bridge being constructed at an actual cost of $359,117.78; bridge A-10 consists of a 20-foot I beam with 2 concerte abutments, the construction of same requiring 214 cubic yards excavation above water, 99.8 cubic yards concrete masonry, 1.66 cubic yards cut stone, 11,733 pounds steel and 23 lineal feet floor system; bridge A-13 being a 50-foot deck plate girder, with 2 concrete abutments requiring an excavation above water of 2,076 cubic yards, an excavation below water of 566 cubic yards, the placing of 2,491.98 cubic yards of concrete masonry and 1.66 cubic yards of cut stone, and 42,169 pounds of steel, and 52 lineal feet of floor system, the said bridge for the purpose of reproduction being estimated at a cost of $27,028.50; bridge A-5 being a 65-foot I plate girder with concrete abutments, the construction of same requiring 320 cubic yards excavation above water, 228.26 cubic yards concrete masonry, 1.66 yards cut stone, 104,605 pounds steel, and 68 lineal feet of floor system; bridge A-16 being a 65-foot deck plate girder, with 2 concrete abutments requiring 550 cubic yards of excavation above water, 650 cubic yards of excavation below water, 1,392.2 cubic yards of concrete masonry, 1.66 cubic yards of cut stone, 65,200 pounds of steel, 67 lineal feet of floor system, said bridge for the purpose of ascertaining the cost of reproduction is estimated to cost $17,620.90; 28.168 feet board measure timber in culverts and wooden boxes, 48 feet of 12-inch cast iron pipe, 72 feet of 16-inch cast iron pipe, 534 feet of 18-inch cast iron pipe, 234 feet of 20-inch cast iron pipe, 1,044 feet of 24-inch cast iron pipe, 72 feet of 30-inch cast iron pipe, 54 feet of 36-inch cast iron pipe, 290 feet of 12-inch vitrified pipe, 296 feet of 15-inch vitrified pipe, 36 feet of 12-inch corrguated steel pipe, 114 feet of 18-inch corrugated steel pipe, and 42 feet of 24-inch corrugated steel pipe, and a concrete arch culvert requiring 100 cubic yards excavation, 140 cubic yards concrete and 16 cubic yards of paving. That subsequent to the construction there has been 984.92 yards of earth moved and used in filling bridges and trestles, which are not included in the grading quantities above mentioned.

That to reproduce said line, including side tracks, it would be necessary to lay 88,582 ties.

That to reproduce said line, including side tracks, it would be

necessary to lay 3,635.74 tons of steel rails; the said steel rails requiring 527,123 pounds of splices, 46,134 pounds of bolts, 190,565 pounds of spikes, 61,460 light tie plates, 4,184 rail braces, and 4,720 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of $5,818, in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 24.4 miles, which for the purpose of reproducing is estimated to cost $600 per mile. That to reproduce the line it would be necessary to lay 30.55 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700 per mile.

That in order to reproduce the said line it would be necessary to lay tie plates, which for the purpose of reproduction the labor therefor is estimated at $922. That in order to reproduce said line it would be necessary to construct 46 miles of barbed wire fence.

That the crossings, cattle guards, and sign posts along the line would cost at the present prices to reproduce new the sum of $939.50.

That in order to reproduce the said line, in its present condition it would be necessary to install one train order signal, which for the purpose of reproduction is estimated to cost the sum of $225.

That the interests of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of $736.51.

That the station buildings along said line consist of 1,540 square feet floor area of O. R. & N. standard two-story frame station, 192 square feet floor area of O. R. & N. standard one-story frame station, and 4,173 square feet of station platform, and the furniture and fixtures in said station for the purpose of reproduction is estimated to cost new the sum of $429.

That in order to reproduce the said line in its present condition, it would be necessary to construct water stations alon said line, which water stations, for the purpose of ascertaining the cost of reproduction, are estimated to cost the sum of $6,838.

That the storage warehouses along said line consist of 5,000 square feet of floor area. That the miscellaneous structures along said line consist of 2,270 square feet of floor area of O. R. & N. standard White section houses, 1,342 square feet floor area of O. R. & N. standard Chinese section houses, 684 square feet floor area of offices and dwellings, 576 square feet floor area of tool, coal and miscellaneous sheds, 538 square feet of water closets, 308 square feet of oil, sand and pump houses, 4,000 square feet of miscellaneous platforms, 8,704 square feet of O. R. & N. standard stock yards, 4 mail cranes, and 91 water barrels.

No. 5.

That that portion of the main line track of the Oregon Railroad & Navigation Company extending from La Crosse to Colfax, a dis-

tance of 35.64 miles, and that portion of the branch line extending from La Crosse to Connell, and being 53.12 miles in length, constructed by the Columbia & Palouse Railroad Company about the year 1884, said Columbia & Palouse Railroad Company being a corporation having a capital stock of $1,000,000 and having issued bonds of the amount of $2,829,000, said company constructing the line as hereinafter set out.

That the total cost down to June 30, 1907, for constructing this said line from La Crosse to Colfax and from La Crosse to Connell was the sum $1,549,898.22, including betterments and improvements.

That in order to reproduce the grading on said main line from La Crosse to Colfax it would be necessary to move 331,429 cubic yards of earth a distance of not to exceed 300 feet, 1,558 cubic yards of loose rock a distance of not to exceed 300 feet, 10,771 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 343,758 cubic yards a distance of 100 feet in excess of the said 300 feet free haul allowance, it would be necessary to place 74 cubic yards of riprap.

That along said line from La Crosse to Colfax there is now 14,208 lineal feet of side track, the grading of which is not included in the grading quantities above mentioned, the grading of which side tracks for the purpose of ascertaining the cost of reproduction estimated at a cost of 40 cents per lineal foot.

That since the construction of said road between La Crosse and Colfax the banks have been widened and there has been moved and placed 68,966 cubic yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said main line from La Crosse to Colfax it would be necessary to construct 1,531 lineal feet of pile bridges and 208 lineal feet frame trestles, 17,936 feet board measure timber in culverts and wooden boxes, 270 feet of 18-inch cast iron pipe, 108 feet of 20-inch cast iron pipe, 636 feet of 24-inch cast iron pipe, 90 feet of 36-inch cast iron pipe, 30 feet of 10-inch vitrified pipe, 44 feet of 14-inch vitrified pipe, 72 feet of 12-inch corrugated steel pipe, 132 feet of 18-inch corrugated steel pipe, and 93,639 cubic yards of material moved and used in filling bridges and trestles, the same not being included in the grading quantities as shown above.

That to reproduce the said line from La Crosse to Colfax including the side tracks along the same it would be necessary to lay 118,317 ties.

That to reproduce the said line from La Crosse to Colfax, including side tracks, it would be necessary to lay 4,245.31 tons of steel rails, the same requiring 648,964 lbs. of splices, 56,750 lbs. of bolts, 254,924 lbs. of spikes, 39,600 heavy tie plates, 2,360 light tie plates, 16,446 rail braces and 5,400 lbs. of nut locks, and frogs and switches

which for the purpose of ascertaining the cost of reproduction are estimated to cost $4,219.00, in place.

That to reproduce ballast on the said line from La Crosse to Colfax it would be necessary to ballast with earth 6.72 miles, which for the purpose of reproduction it is estmated to cost $600 per mile. And to ballast with gravel 28.92 miles, which for the purpose of reproduction is estimated to cost $1,100 per mile.

That to reproduce the line from La Crosse to Colfax it would be necessary to lay 40.43 miles of tracks, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700 per mile.

That in order to reproduce said line from La Crosse to Colfax, in its present condition it would be necessary to lay tie plates, which for the purpose of ascertaining the cost of reproduction the labor therefor is estimated to cost $529.

That in order to reproduce said line from La Crosse to Colfax, in its present condition, it would be necessary to construct 67.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line from La Crosse to Colfax would cost, at present prices, to reproduce new the sum of $981.25.

That in order to reproduce said line from La Crosse to Colfax it would be necessary to install 2 train order signals at a cost of $235 each, and one block signal.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along said line from La Crosse to Colfax would cost to reproduce the same new the sum of $1,070.94.

That the station buildings along the said line from La Crosse to Colfax consist of 6,402 square feet floor area of O. R. & N. standard one story frame station; 12,746 square feet of station platform, and the fixtures in said station buildings are for the purpose of ascertaining the cost of reproduction estimated to cost new the sum of $1,334.00.

That along said line there is one 60-foot steel turn table, estimated to cost new the sum of $3,000.

That there are along said line from La Crosse to Colfax water stations, which to reproduce new would cost the sum of $5,339.00.

That the storage warehouses along said line from La Crosse to Colfax, consist of 1,248 square feet of floor area.

That the miscellaneous structures along said line from La Crosse to Colfax consist of 4,451 square feet floor area of O. R. & N. standard White section houses, 3,229 square feet floor area of O. R. & N. standard Chinese section houses; 3,420 square feet floor area of freight sheds; 572 square feet floor area of offices and dwellings; 2,224 square feet floor area of tool, coal and miscellaneous sheds; 1,618 square feet floor area of water closets; 1,245 square feet floor area of oil, sand and pump houses; 2,951 square feet of miscellaneous platforms; 640 square feet floor area of ice houses, and 37,880 square feet of O. R. & N. standard stock yards; one set of 50-ton track scales; one mail

crane and 50 water barrels, and fire protections for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $520; and 2 sets of stock scales, which for the purpose of ascertaining the cost of reproduction are estimated to cost the sum of $414 each.

No. 6.

That that portion of the main line of the Oregon Railroad and Navigation Company operated in Washington, extending from Colfax to Farmington, a distance of 27.5 miles was constructed by the Columbia and Palouse Railroad Company on or about the year 1886.

That said line from Colfax to Farmington cost to construct, including betterments and improvements down to the 30th day of June, 1907, the sum of $447,255.24.

That in order to reproduce the grading on said portion of said road, in its present condition it would be necessary to move 317,450 cubic yards of earth a distance of not to exceed 300 feet; 49,664 cubic yards of loose rock a distance of not to exceed 300 feet; 12,068 cubic yards of solid rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 391,903 cubic yards a distance of 100 feet in excess of the 300 feet free overhaul allowance, it would be necessary to place 8,876 cubic yards of riprap it would be necessary to clear 52.2 acres, which for the purpose of reproduction is estimated to cost $50 per acre, and it would be necessary to grub 69.75 station, which for the purpose of reproduction is estimated to cost $15 per station.

That along said line there is now 706 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, and for the purpose of ascertaining the cost of reproduction the grading on said track is estimated at a cost of $.40 per lineal foot.

That since the construction of said road the banks or grade has been widened necessitating the placing of 49,261 cubic yards of material, which material has not been included in the grading quantities above mentioned, and in order to reproduce the same in its present condition such quantities should be included.

That to reproduce the bridges, trestles and culverts on said portion of said line it would be necessary to construct 112 lineal feet of pile bridge; 352 lineal feet of frame trestle; 448 lineal feet of combination pile and frame bridge; and 224 lineal feet of pile approach steel truss bridge Number A 102, said bridge being a 125-foot through Pratt truss, with 2 concrete abuttments, construction of same requiring 176 cubic yards of excavation above water, 286 cubic yards of excavation below water; 36.4 cubic yards of concrete masonery; 3.56 cubic yards of cut stone, and 170,414 pounds of steel, with 128 lineal feet of floor system; steel truss bridge A-89, said bridge being a 150-foot through Pratt truss, with 2 concrete abutments, construction of same requiring 325 cubic yards excavation above water; 317.1 cubic yards excavation below water; 427.9 cubic yards concrete masonry; 3.56

cubic yards cut stone, and 223,210 lbs. of steel, and 153 lineal feet of floor system.

Bridge A-98, same being a 14-foot steel "I" beam, with concrete abutments, construction of same requiring 35 cubic yards excavation above water; 91 cubic yards excavation below water; 64.82 cubic yards concrete masonry; 1.66 cubic yards cut stone; 4,750 lbs. steel, and 17 lineal feet of floor system.

Bridge A-112, same being a 14-foot steel "I" beam, with concrete abutments, the construction of same requiring 70 cubic yards excavation above water; 51 cubic yards excavation below water; 67.02 cubic yards concrete masonry; 1.66 cubic yards cut stone; 4,750 lbs. steel, and 17 lineal feet floor system.

Bridge A-101½, same being a 20-foot steel "I" beam, with concrete abutments, the construction of same requiring 80 cubic yards excavation above water; 87.04 cubic yards concrete masonry; 11,733 lbs. steel, and 23 lineal feet floor system.

Bridge A-117½, same being a 50-foot through plate girder, with concrete abutments the construction of same requiring 114 cubic yards excavation above water; 70 cubic yards excavation below water; 97.36 cubic yards concrete masonry; 1.66 cubic yards cut stone; 68,470 lbs. steel and 53 lineal feet floor system.

Bridge A-109, same being a 65-foot through plate girder, with concrete abutments, the construction of same requiring 181 cubic yards excavation above water; 149.82 cubic yards concrete masonry; 1.66 cubic yards cut stone; 114,146 lbs. steel, and 69 lineal feet floor system.

Bridge A-120, same being a 14-foot steel "I" beam, with concrete abutments, the construction of same requiring 122 cubic yards excavation above water; 67.51 cubic yards concrete masonry; 5,614 lbs. steel, and 17 lineal feet floor system; 28,719 feet board measure timber in culverts; and wooden boxes 60 feet of 12-inch cast iron pipe; 72 feet of 16-inch cast iron pipe; 312 feet of 18-inch cast iron pipe; 312 feet of 20-inch cast iron pipe; 426 feet of 24-inch cast iron pipe; 72 feet of 36-inch cast iron pipe; 278 feet of 6-inch vitrified pipe; 74 feet of 12-inch vitrified pipe; 60 feet of 18-inch corrugated steel pipe; 120 feet of 24-inch corrugated steel pipe; 72 feet of 36-inch corrugated steel pipe.

That subsequent to the construction there has been 10,185 cubic yards of earth used in filling bridges and trestles, which is not included in the grading quantities. That in order to reproduce said portion of said line, including the side tracks it would be necessary to lay 87,925 ties.

That to reproduce the said portion of said line, including side tracks it would be necessary to lay 2,875.16 tons of steel rails, the rails requiring 390,549 lbs. splices, 37,096 lbs. of bolts, 189,552 lbs. of spikes, 28,838 rail braces, and 3,600 lbs. of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost the sum of 2,312.00 in place.

That to reproduce that portion of said line, in its present condition it would be necessary to ballast with earth 2.4 miles, which abuttments, the construction ot same requiring 80 cubic yards excava- for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $600 per mile, and it would be necessary to ballast with gravel 25.1 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,100 per mile.

That to reproduce that portion of the line, in its present condition it would be necessary to lay 29.92 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700 per mile.

That it would be necessary in order to reproduce said line, in its present condition to construct 50.5 miles of barbed wire fence.

That the crossings, cattle guards, and signs along the line would cost, at present price to reproduce new the sum of $1,320.62.

That to reproduce said portion of said line it would be necessary to install 3 train order signals, at an estimated cost of $225 each.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along said line would cost to reproduce the same new the sum of $830.22.

That the station buildings along said line consist of 6,611 square feet floor area of O. R. & N standard one-story frame stations, and 9,653 square feet of station platforms, and the furniture and fixtures in said station buildings for the purpose of reproduction are estimated to cost new $876.00.

That in order to reproduce the water stations along said portion of said line new, it would cost the sum of $5,499.00.

That the storage warehouses along said line consist of 9,800 square feet floor area and that the miscellaneous structures along said line of 2,244 square feet floor area of O. R. & N. standard White section houses; ,294 square feet floor area of O. R. & N. standard Chinese section houses; 1,016 square feet floor area of tool, coal and miscellaneous sheds, 496 square feet floor area of water closets; 192 square feet floor area of oil, sand and pump houses; 7,000 square feet of miscellaneous platforms; 14,904 square feet of O. R. & N. standard stock yards; and 48 water barrels.

No. 7.

That that portion of the main track and line of the Oregon Railroad and Navigation Company in Washington, extending from Farmington to Rockford, a distance of 33.8 miles in length was constructed by the Washington and Idaho Railroad Company, a subsidiary corporation of the Oregon Railway and Navigation Company, in the year 1888.

That it cost said Washington and Idaho Railroad Company to construct said line, approximately $562,086.93, and the same has cost the Washington and Idaho Railroad Company and the Oregon Railroad and Navigation Company, exclusive of discount and equipment and

interest during construction down to the 30th day of June, 1907, the sum of $693,877.56.

That upon the completion of said road by the Washington and Idaho Railroad Company they issued their mortgage bonds for the sum of $30,000 per mile, and transferred the same to the Oregon Railway and Navigation Company, the capital stock of said railroad was also delivered to the Oregon Railway and Navigation Company and upon re-construction of said company the Oregon Railroad and Navigation Company became the owner of said lines.

That in order to reproduce the grading on the said line, in its present condition, it would be necessary to move 433,912 cubic yards of earth a distance of not to exceed 300 feet; 395 cubic yards of loose rock a distance of not to exceed 300 feet; 26,973 cubic yards of solid rock a distance of not to exceed 300 feet; 20,452 cubic yards of cemented gravel a distance of not to exceed 300 feet, and 1,784 cubic yards of shell rock a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 127,931 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance. It would be necessary to place 1,001 cubic yards of riprap.

That it would be necessary to clear 30.86 acres, which for the purpose of ascertaining the cost of reproduction is estimated to cost $50 per acre.

That it would be necessary to grub 83 stations which for the purpose of ascertaining the cost of reproduction is estimated to cost $15 per station.

That along said portion of said line there is now 7,470 lineal feet of said track, the grading for which side track is not included in the quantities above mentioned, which for the purpose of ascertaining the cost of reproduction is estimated to cost 40c per lineal foot.

That since the construction of said road the grade and banks have been widened necessitating the placing of 49,261 cubic yards of material, which material has not been included in the grading quantities above mentioned, and to reproduce said line the same should be included. That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 510 lineal feet of pile bridges, 374 lineal feet frame trestles.

Bridge A-175, same being a 14-foot steel "I" beam, with concrete abutments the construction of same requiring 87 cubic yards excavation above water; 44 cubic yards excavation below water; 68.33 cubic yards concrete masonry; 1.66 cubic yards cut stone; 5,614 lbs. steel, and 17 lineal feet of floor system.

Bridge A-138, same being a 20-foot steel "I" beam, with concrete abutments, the construction of same requiring 14 cubic yards excavation above water; 82 cubic yards excavation below water; 85.12 cubic yards concrete masonry; 1.66 cubic yards cut stone; 11,636 lbs. steel, and 23 lineal feet of floor system.

Bridge A-185, same being an 80-foot through plate girder, with con-

crete abutments, the construction of same requiring 240 cubic yards excavation above water; 133 cubic yards excavation below water; 418.50 cubic yards concrete masonry; 266 cubic yards cut stone; 145,293 lbs. steel, and 83 lineal feet of floor system.

Bridge A-146, same being an 80-foot through plate girder, with concrete abutments, the construction of same requiring 287 cubic yards excavation above water; 178 cubic yards excavation below water; 442.69 cubic yards concrete masonry; 2.66 cubic yards cut stone; 146,157 lbs. steel, and 83 lineal feet floor system.

Bridges A-144 and A-145, the same consisting of two 80-foot deck plate girders, and 4 concrete abutments, the construction of which would require 1,333 cubic yards of excavation above water; 705 cubic yards of excavation below water; 1,967.14 yards of concrete masonry; 5.32 cubic yards of cut stone; 208,420 pounds of steel and 164 lineal feet of floor system; 54,804 feet board measure timber in culverts; and wooden boxes; 156 lineal feet of 12-inch cast iron pipe; 48 feet of 16-inch cast iron pipe; 536 feet of 18-inch cast iron pipe; 1,580 feet of 20-inch cast iron pipe; 2,454 feet of 24-inch cast iron pipe; 132 feet of 30-inch cast iron pipe; 126 feet of 36-inch cast iron pipe; 48 feet of 18-inch corrugated steel pipe; 96 feet of 36-inch corrugated steel pipe.

That subsequent to the construction there has been moved and used in filling the bridges 105,825 cubic yards of material, which is not included in the grading quantities showed above, and which should be included in the estimate of the cost of reproduction.

That in order to reproduce the said portion of said line, including the side tracks, it would be necessary to lay 117,280 ties.

That in order to reproduce said portion of said line, including side tracks, it would be necessary to lay 4443.83 tons of rails, that said rails require 828,455 pounds of splices, 59,148 pounds of bolts, 252,512 pounds of spikes, 164,918 heavy tie plates, 7,650 rail braces, and 4,520 pounds of nut locks and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost $8,150.00 in place.

That to reproduce said portion of said line, in its present condition, it would be necessary to ballast with gravel 4.32 miles, which for the purpose of reproduction, is estimated to cost $1,100 per mile; and it would be necessary to ballast with tailings 29.42 miles, which for the purpose of ascertaining the cost of reproduction, is estimated to cost $1,500 per mile.

That to reproduce that portion of said line, in its present condition, it would be necessary to lay 40.27 miles of track, which for the purpose of ascertaining the cost of reproduction, is estimated to cost $700 per mile.

That in order to reproduce said line, in its present condition, it would be necessary to lay tie plates, for the purpose of ascertaining the cost of reproduction labor therefor is estimated to cost $2,474.

That it would be necessary, in order to reproduce said line in its present condition, to construct 60.5 miles of barbed wire fence.

That the crossings, cattle guards, and signs along the line would cost at present prices to reproduce new, $2,205.25.

That to reproduce said portion of said line it would be necessary to install four train order signals, at an estimated cost of $225 each.

That the interests of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce the same new the sum of $1,018.91.

That the station buildings along said line consist of 5,469 square feet of floor area of O. R. & N. standard two story station buildings, 1,517 square feet floor area of O. R. & N. standard one story frame station buildings; 15,970 square feet floor area of station platforms, and the fixtures and furniture in said building for the purpose of reproduction are estimated to cost the sum of $1,387.00.

That the shops, round houses and turn tables along said portion of said line consist of 5,866 square feet floor area of frame shops; one 6 stall frame engine house; one 60-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost $3,000.

That to reproduce said water stations along said line new, it would cost $8,288.00.

That to reproduce the fuel stations along said portion of said line it would be necessary to construct a 10-pocket coal chute, which for the purpose of reproduction is estimated to cost $8,000.00.

That the miscellaneous structures along said line consist of 3,715 square feet floor area of O. R. & N. standard White section houses, 2,134 square feet Chinese section houses; 1,450 square feet of freight sheds; 1,528 square feet of offices and dwellings; 2,784 square feet of tool, coal and miscellaneous sheds; 615 square feet of water closets; 902 square feet floor area of oil, sand and pump houses; 12,000 square feet of miscellaneous platforms; 912 square feet floor area of ice houses; 13,136 square feet of O. R. & N. standard stock yards; one set of 80-ton track scales; 1 mail crane, and 43 water barrels and fire protection, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $520.

No. 8.

That that portion of the main line and track of the Oregon Railroad & Navigation Company extending from Rockford to Spokane, a distance of 26.9 miles in length, was constructed by the Washington & Idaho Railroad Company about the year 1889.

That said road cost the said Washington & Idaho Railroad Company to construct the same approximately the sum of $629,215.95, and the said portion of said line, including betterments and improvements, has cost in cash down to the 30th day of June, 1907, the sum of $871,339.50.

That immediately after the completion of said portion of said line, and about the year 1889, the said Washington & Idaho Railroad Company issued its mortgage bonds against said portion of said line for

the sum of $30,000 per mile, and delivered the same to the Oregon Railway & Navigation Company. The said portion of said line was constructed with funds furnished the Washington & Idaho line by the Oregon Railway & Navigation Company. The Oregon Railroad & Navigation Company now own said line.

That to reproduce the grading on said portion of said line, in its present condition, it would be necessary to move 295,777 cubic yards of earth a distance of not to exceed 300 feet; 35,709 cubic yards of loose rock a distance of not to exceed 300 feet; 65,347 cubic yards of solid rock a distance of not to exceed 300 feet, 82,171 yards of cement gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 424,148 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance. It would be necessary to place 1,628 cubic yards of riprap.

That it would be necessary to clear 239.26 acres, which for the purpose of ascertaining the cost of reproduction, is estimated to cost $50 per acre; it would be necessary to grub 431 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost $15 per station.

That along said line there is now 16,077 lineal feet of side track, not included in the grading quantities above mentioned, which for the purpose of ascertaining the cost of reproduction, such grading is estimated to cost 40 cents per lineal foot.

That since constructing such road the banks and grades have been widened, necessitating the placing of 38,314 cubic yards of material, which is not included in the grading quantities above mentioned.

That in order to reproduce the bridges, trestles and culverts on said portion of said line, it would be necessary to construct 510 lineal feet of pile bridges; 80 lineal feet of frame trestles; 336 lineal feet of combination pile and frame bridges; bridge A 206, the same being over the Spokane River, consists of 3 one hundred and fifty-foot truss; one 65-foot deck plate girder; and one 35-foot deck plate girder; 2 concrete abutments and 4 concrete piers, the construction of said bridge requiring 812 cubic yards of excavation above water; 57 cubic yards of excavation below water; 852.2 cubic yards of concrete masonry; 1.3 cubic yards of cut stone; 1,187,511 pounds of steel, and 550 lineal feet of floor system; bridge A 201, the same being a 20-foot I beam with 2 concrete abutments, the construction of same requiring 113 cubic yards excavation above water; 104.94 cubic yards concrete masonry; 13,286 pounds of steel, and 23 lineal feet of floor system; 58,189 feet board measure timber in culverts and wooden boxes; 462 lineal feet of 18-inch cast iron pipe; 192 lineal feet of 20-inch cast iron pipe; 1,440 lineal feet of 24-inch cast iron pipe; 480 lineal feet of 30-inch cast iron pipe; 168 feet of 36-inch cast iron pipe; 72 feet 12-inch corrugated steel pipe; 46 feet 18-inch corrugated steel pipe, and 36 feet 30-inch corrugated steel pipe and 49.5 cubic yards stone masonry in culverts, concrete arch culverts, the construction of same requiring 1,052 cubic yards excavation above water; 1,193

cubic yards excavation below water; 3,071.48 cubic yards concrete masonry and 11 cubic yards stone paving.

That subsequent to construction there has been 308,845 cubic yards of material used in filling bridges and trestles, which is not included in the grading quantities above mentioned.

That to reproduce said portion of said line, including side tracks, it would be necessary to lay 90,049 ties.

That to reproduce said portion of said line including side tracks, it would be necessary to lay 3,534.61 tons of steel rails, the same requiring 701,437 pounds of splices; 47,263 pounds of bolts; 194,060 pounds of spikes; 157,800 heavy tie plates; 2,782 rail braces and 3,160 pounds of nut locks, and frogs and switches are estimated at a cost of $4,765.00 in place.

That to reproduce that portion of said line, in its present condition it would be necessary to ballast with gravel 25.47 miles, which for the purpose of reproduction the same is estimated to cost $1,100.00 per mile, and to ballast with tailing 1.25 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,500 per mile.

That to reproduce that portion of the line, in its present condition, it would be necessary to lay 30.82 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at $700 per mile.

That to reproduce said line it would be necessary to lay tie plates, the labor therefor for the purpose of ascertaining the cost of reproduction is estimated at $2,367.00

That it would be necessary in order to reproduce said line in its present condition to construct 44.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce new the sum of $2,525.50.

That in order to reproduce the said portion of said line it would be necessary to install train order signals at a cost of $225, and 1 block signal at a total cost of $949.00; and 2 interlocking plants, at a total cost of $18,399.15.

That the interests of the Oregon Railroad and Navigation Company in the telegraph lines along that portion of said line would cost to reproduce the same new the sum of $812.67.

That the station buildings along that portion of said line, consist of 1,104 square feet floor area of O. R. & N. standard one-story frame station; 685 square feet of station platform and the furniture and fixtures for said station buildings for the purpose of reproduction is estimated to cost the sum of $1,160.50.

That to reproduce the water stations along said portion of said line would cost $3,975.00.

That the miscellaneous structures along said line consist of 683 square feet floor area of O. R. & N. standard white section houses; 682 square feet of O. R. & N standard Chinese section houses; 1,412

square feet floor area of freight sheds; 1,200 square feet floor area of offices and dwellings; 1,448 square feet floor area of tool, coal and miscellaneous sheds; 240 square feet of water closets; 1,292 square feet floor area of oil, sand and pump houses; 3,690 square feet of miscellaneous platforms; 4,154 square feet of O. R. & N. standard stock yards; one set of 80-ton track scales, 2 mail cranes, and 63 water barrels.

No. 9.

That that portion of the main line and track of the Oregon Railroad and Navigation Company in Washington, extending from Winona to Seltice and being 47.95 miles in length was constructed by the Oregon Railway Extension Company in the year 1888, at a total cost to said Oregon Railway Extension Company of $835,843.69.

That said Oregon Railway Extension Company was a subsidiary corporation of the Oregon Railway and Navigation Company and constructed said line with funds furnished it from the treasury of the Oregon Railway and Navigation Company.

That immediately after constructing this line for the price aforesaid, the Oregon Railway Extension Company caused their mortgage bonds to be issued against said property for the sum of $22,000 per mile, or a total of $1,056,000, which bonds it immediately deposited with the Oregon Railway and Navigation Company.

That the Oregon Railroad and Navigation Company, upon reorganization, became the owner of the capital stock and owner of the said line, and is now such owner.

That the total cost of said portion of said line, including improvements and betterments down to and including the 30th day of June, 1907, was the sum of $894,345.27.

That in order to reproduce the grading on such portion of said road in its present condition it would be necessary to move 866,476 cubic yards of earth a distance of not to exceed 300 feet; 8,376 cubic yards of loose rock a distance of not to exceed 300 feet; 17,674 cubic yards of solid rock a distance of not to exceed 300 feet; 78,809 cubic yards of cemented gravel a distance of not to exceed 300 feet, and of the quantities above mentioned it would be necessary to move an equivalent of 770,417 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance. It would be necessary to place 6,797 cubic yards of riprap; it would be necessary to clear 15.75 acres, which for the purpose of ascertaining the cost of reproduction is estimated to cost $50 per acre; and it would be necessary to grub 30 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost $15 per station.

That along said line there is now 6,944 lineal feet of side track, the grading of which is not included in grading quantities above mentioned, which for the purpose of ascertaining the cost of reproduction is estimated to cost 40c per lineal foot.

That since the original construction of said road the grade and banks have been widened necessitating the placing of 68,966 cubic

yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 2,078 lineal feet of pile bridges, and 48 lineal feet of frame trestles, and 109 lineal feet of pile approach bridge number C 3, the same being a 150-foot through Pratt truss, with 1 concrete abutment and 1 concrete pier, the construction of said bridge requiring 100.15 cubic yards of excavation above water; and 531 cubic yards of excavation below water; 447.3 cubic yards of concrete masonry; 3.56 cubic yards of cut stone; 200,045 pounds of steel; 153 lineal feet of floor system; 48,883 feet board measure timber in culverts and wooden boxes; 996 feet of 18-inch cast iron pipe; 1,212 feet of 20-inch cast iron pipe; 2,355 feet of 24-inch cast iron pipe; 144 feet of 30-inch cast iron pipe; 300 feet of 36-inch cast iron pipe; 216 feet of 18-inch corrugated steel pipe; 192 feet of 24-inch corrugated steel pipe; and 48 feet of 36-inch corrugated steel pipe.

That since the construction of said portion of said line there has been 18,850 cubic yards of material used in filling bridges and trestles, which material is not included in the grading quantities above set out.

That to reproduce said line, including the side tracks along the same it would be necessary to lay 154,416 ties.

That to reproduce said line, in its present condition, including the side tracks along the said line, it would be necessary to lay 5,136.11 tons of steel rails, the same requiring 746,308 pounds of splices; 64,397 pounds of bolts; 332,864 pounds of spikes; 49,300 heavy tie plates; 32,457 rail braces, and 5,840 pounds nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at a cost of $4,765 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 30.82 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $600 per mile; and to ballast with gravel 17.13 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,100 per mile.

That to reproduce the line it would be necessary to lay 52.59 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700 per mile, and it would be necessary to place tie plates along said line, the labor for which is estimated to cost $739.

That it would be necessary to reproduce said line, in its present condition, to construct 91.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost, at present prices, to reproduce new the sum of $2,268.30.

That the interests of the Oregon Railroad and Navigation Company, in the telegraph lines along said portion of said line would cost to reproduce new the sum of $1,447.61.

That the station buildings along said line consist of 5.992 square

feet floor area of O. R. & N. standard one-story frame station; 7,167 square feet floor area of station platform; and the furniture and fixtures new for such station buildings are estimated for the purpose of ascertaining the cost of reproduction to cost the sum of $772.50.

That to reconstruct new the water stations along said portion of said line would cost the sum of $8,468.00.

That the miscellaneous structures along said line consist of 4,123 square feet floor area of O. R. & N. standard white section houses; 2,373 square feet floor area of O. R. & N. standard Chinese section houses; 1,324 square feet floor area of tool, coal and miscellaneous sheds; 536 square feet floor area of water closets; 504 square feet floor area of oil, sand and pump houses; 6,529 square feet of miscellaneous platforms; 10,912 square feet of O. R. & N. standard stock yards, and 70 water barrels.

BRANCH LINES.

That in addition to the foregoing main lines of the Oregon Railroad & Navigation Company, in the State of Washington, it owns and operates the branch lines hereinafter set out.

No. 10.

That that portion of the branch line of the Oregon Railroad & Navigation Company in Washington, extending from Walla Walla to the Oregon, Washington state line, and being 4.58 miles in length, was constructed by the Oregon Railway & Navigation Company in 1883, and cost said Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company, including betterments and improvements down to the 30th day of June, 1907, the sum of $88,138.92.

That in order to reproduce the grading on said portion of said line in its present condition, it would be necessary to move 47,503 cubic yards of earth, a distance of not to exceed 300 feet; 14,189 cubic yards of boulder gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 61,692 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That to reproduce the bridges, trestles and culverts on said line, it would be necessary to construct 352 lineal feet of pile bridges; 144 feet of frame trestles; 1,760 feet B. M. timber in wooden boxes; 36 feet of 20-inch cast iron pipe; 24 feet of 24-inch cast iron pipe; and 24 feet of 18-inch corrugated steel pipe.

That subsequent to the construction of the road there has been moved and used in filling bridges 2,730 cubic yards of material, which is not included in the grading quantities shown above and which should be included in the estimate of the cost of reproduction.

That to reproduce the said line, including side tracks along the same, it would be necessary to lay 13,579 ties.

That to reproduce the said line it would be necessary to lay 431.85 tons of steel rails; the same requiring 58,099 pounds of splices; 5,282 pounds bolts; 29,285 pounds of spikes; 1,460 rail braces, and 820 pounds of nut locks.

That to reproduce the ballasting on said line it would be necessary to ballast with earth 4.58 miles, which for the purpose of ascertaining the cost of reproduction, is estimated to cost $600.00 per mile.

That to reproduce the line it would be necessary to lay 4.58 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700.00 per mile.

That it would be necessary, in order to reproduce said line, in its present condition, to construct ten miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line would cost, at present prices, to reproduce new, the sum of $214.10.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line, would cost, to reproduce new, the sum of $138.27.

That to reconstruct new, the fuel stations along the said portion of said line, it would be necessary to construct one 10 pocket coal shute, which for the purpose of ascertaining the cost of reproduction, is estimated to cost the sum of $8,000.00.

No. 11.

That that portion of the branch line in Washington extending from Wallula to Walla Walla, consisting of 31.2 miles, was constructed by the Walla Walla and Columbia River Railroad Company about the year 1873, the same being constructed as a narrow gauge road; that about the year 1881 the Oregon Railway & Navigation Company purchased said line and converted the same into a standard guage railroad. That in the construction and improvement of the said narrow guage road and down to the time of the transfer there of to the Oregon Railroad & Navigation Company, there had been expended in the construction and equipment thereof the sum of $286,874.76. That since the acquisition of the said property and down to June 30th, 1907, the Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company have expended in converting the same into a standard guage railroad and in betterments and permanent improvements, exclusive of equipment, the sum of $413,340.02, making a total cost for said road, exclusive of equipment of the sum of $700,214.78.

That in order to reproduce the grading on said road in its present condition, it would be necessary to move 391,047 cubic yards of earth a distance of not to exceed 300 feet; 11,165 cubic yards of solid rock a distance of not to exceed 300 feet; 2,891 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of

405,103 cubic yards a distance of 100 feet in excess of said 300-foot-free haul allowance.

That it would be necessary to place 1,880 cubic yards of riprap.

That along said line there is now 4,312 lineal feet of side track, the grading for which is not included in the grading quantities above mentioned, which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 698 lineal feet of pile bridges; 344 feet of frame trestles; 96 feet of pile approach; one 108-foot Howe Truss bridge; 85,165 feet B. M. timber in culverts and wooden boxes; 25 feet of 12-inch cast iron pipe; 48 feet of 18-inch cast iron pipe; 682 feet of 24-inch cast iron pipe; 30 feet of 6-inch vitrified pipe; 66 feet of 18-inch vitrified pipe; 36 feet of 24-inch corrugated steel pipe, and 32 feet of 36-inch corrugated steel pipe and small steel irrigating pipe, which last item for the purpose of ascertaining the cost of reproduction is estimated to cost in place the sum of $169.50; and 21 cubic yards stone masonry in culverts.

That subsequent to construction there has been 11,387 cubic yards of earth moved and used in filling bridges and trestles which is not included in said grading quantities above mentioned. That to reproduce the said line, including the side tracks, in its present condition, it would be necessary to lay 95,358 ties. That to reproduce the said line, including the side tracks, in its present condition, it would be necesary to lay 2,827.31 tons of steel rails, the same requiring 401,718 pounds splices, 37,250 pounds bolts, 205,844 pounds of spikes, 16,420 rail braces and 3,840 pounds of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost $1,511.00 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 31.05 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $600 per mile. That to reproduce the line in its present condition it would be necessary to lay 32.27 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 62 miles of barbed wire fence. That the crossings, cattle guards and signs along the said line would cost at present prices to reproduce new the sum of $2,234. That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said line would cost to reproduce new the sum of $944.34.

That the station buildings along the said line consist of 384 square feet floor area of O. R. & N. standard one-story frame station buildings; 816 square feet floor area of frame station platforms, and the furniture and fixtures for the said station buildings, which furniture and fixtures for the purpose of ascertaining the cost of reproduction are estimated at a cost new of $458. That the shops, round houses

and turn tables along the said line consist of 384 square feet floor area of frame shops. That the water stations along the said line would cost to reproduce new the sum of $2,823. That the storage warehouses along the said line consist of 6,536 square feet of frame warehouses.

That the miscelaneous structures along the said line consist of 2,976 square feet floor area of O. R. & N. standard white section houses; 1,308 square feet floor area of O. R. & N. standard Chinese section houses; 904 square feet floor area of tool, coal and miscellaneous sheds; 432 feet floor area of standard water closets; 733 square feet of standard oil, sand and pump houses; 4,916 square feet of miscellaneous platforms; 1,350 square feet of standard stockyards and 60 water barrels.

No. 12.

That that portion of the branch line of the Oregon Railroad & Navigation Company extending from Fairfield to Waverly, a distance of 4.76 miles in length, was constructed by the Oregon Railroad & Navigation Company in the year 1899, at a total cost, including betterments and improvements, down to the 30th day of June, 1907, the sum of $51,691.63.

That in order to reproduce the grading on the said line in its present condition it would be necessary to move 72,583 cubic yards of earth a distance of 300 feet; 3,123 cubic yards of solid rock a distance of not to exceed 300 feet; 2,067 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move an equivalent of 52,669 cubic yards a distance of 100 feet in excess of said 300-foot haul allowance.

That it would be necessary to clear 10 acres, which for the purpose of ascertaining the cost of reproduction is estimated at $50 per acre.

That there is along the said line 764 lineal feet of side tracks the grading of which is not included in the grading quantities above mentioned, and which for the purpose of ascertaining the cost of reproduction is estimated at the cost of 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts along the said line it would be necessary to construct 594 lineal feet of pile approach; one 130-foot Howe Truss bridge; 26,379 feet B. M. timber in culverts and wooden boxes; 108 feet of 16-inch cast iron pipe.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 17,993 ties.

That in order to reproduce the said line in its present condition, including side tracks, it would be necessary to lay 548.30 tons of steel rails, the same requiring 69,853 pounds of splices, 7,190 pounds of bolts, 38,652 pounds of spikes, 4,816 rail braces and 580 pounds of nut locks, and frogs and switches which for the purpose of ascertaining the cost of reproduction are estimated to cost $1,837, in place.

That to reproduce the ballast on the said line it would ne necessary to ballast with earth 4.76 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $600 per mile. That in

order to reproduce the line in its present condition it would be necessary to lay 6.14 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated at the sum of $700 per mile.

That it would be necessary, in order to reproduce the said line in its present condition, to construct 8 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost at present prices to reproduce new the sum of $363.. That the interest of the Oregon Rairload & Navigation Company in the telegraph lines along the said branch line would cost to reproduce new the sum of $143.70.

That the station buildings along the said line consist of 1,560 square feet floor area of O. R. & N. standard one-story station buildings; 2,752 square feet floor area of station platforms, and furniture and fixtures for the said station buildings would cost to reproduce new the sum of $229.

That the miscellaneous structures along the said line consist of 24 square feet floor area of water closets; 1,000 square feet floor area of miscellaneous platforms; 3,200 square feet of O. R. & N. standard stockyards; one set of 80-ton track scales, and 3 water barrels.

No. 13.

That that portion of the branch line of the Oregon Railroad & Navigation Company in the state of Washington, extending from Tekoa to the Idaho-Washington state line, being 2.15 miles in length, was constructed by the Washington & Idaho Railroad Company in the year 1889, at a total cost to the Idaho & Washington Railroad Company, the Oregon Railway & Navigation Company, and the Oregon Railroad & Navigation Company, down to the 30th day of June, 1907, including betterments and improvements, of the sum of $66,070.95.

That upon the said line the said Washington & Idaho Railroad Company issued its bonds to the amount of $30,000 per mile and delivered the same to the Oregon Railway & Navigation Company, and the Oregon Railway & Navigation Company is now the owner of the said road.

That in order to reproduce the grading on the said line it would be necessary to move 37,581 cubic yards of earth a distance of not to exceed 300 feet; 3,296 cubic yards of solid rock a distance of not to exceed 300 feet; 2,778 cubic yards of cemented gravel a distance of not to exceed 300 feet; and 281 cubic yards of shell rock a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 9,800 cubic yards a distance of 100 feet in excess of the 300-foot free haul allowance.

That it would be necessary to place 309 cubic yards of riprap. That it would be necessary to clear 2.73 acres, which for the purpose of ascertaining the cost of reproduction is estimated at $50 per acre, and to grub 5 stations, which for the purpose of ascertaining the cost of reproduction is estimated at $15 per station.

That since the construction of the said road the grade and banks

have been widened, necessitating the placing of 4,105 cubic yards of earth which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on the said branch line it would be necessary to construct bridge No. E 4, the same being a 50-foot through plate girder, with two concrete abutments, the construction of same requiring 43 cubic yards excavation above water, 131 cubic yards excavation below water, 285.2 cubic yards concrete masonry, 1.66 cubic yards cut stone, 68,431 pounds steel, and 53 lineal feet of floor systems; and bridge E 1, being a 65-foot through plate girder, with two concrete abutments, the construction of same requiring 112 cubic yards excavation above water, 180 cubic yards excavation below water, 251.26 cubic yards concrete masonry, 166 cut stone, 104,463 pounds steel, and 68 lineal feet floor system; 480 feet B. M. timber in wooden culverts; 114 feet 24-inch cast iron pipe and 48 feet 30-inch cast iron pipe.

That since the construction of the said line there has been 1,330 cubic yards of earth used in filling bridges and trestles and which is not included in the grading quantities above set out.

That to reproduce the said line in its present condition it would be necessary to lay 5,944 ties and 202.72 tons of steel rails, the same requiring 27,210 pounds of splices, 2,482 pounds of bolts, 13,756 pounds of spikes, 1,440 rail braces, and 380 pounds of nut locks.

That to reproduce the ballast on the said branch line it would be necessary to ballast with tailings 2.15 miles, which ballast for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $1,500 per mile.

That to reproduce the line in its present condition it would be necessary to lay 2.15 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile.

That the ties, rails, track fastenings and frogs and switches upon the side tracks along the said line, said side tracks being in the Tekoa yards, are included in other portions of the said line. That in order to reproduce the line in its present condition it would be necessary to construct 4.30 miles of barbed wire fence. That the crossings, cattle guards and signs along the line would cost at the present prices to reproduce the same new the sum of $59.50.

That the interest of the Oregon Railroad & Navigation Company in the telegraph line along the said branch line would cost to reproduce the same new the sum of $64.90.

No. 14.

That that portion of the branch line of the Oregon Railroad & Navigation Company in the state of Washington, extending from Colfax through Pullman to the Idaho state line and being 26.23 miles in length, was constructed by the Columbia & Palouse Railroad Company in 1885, and the same cost the Columbia & Palouse Railroad

Company and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of $842,907.87.

That in order to reproduce the grading on said branch line it would be necessary to move 443,200 cubic yards of earth a distance of not to exceed 300 feet; 11,975 cubic yards of loose rock a distance of not to exceed 300 feet; 39,530 cubic yards of solid rock a distance of not to exceed 300 feet; 553 cubic yards of cemented gravel a distance of not to exceed 300 feet; 14,312 cubic yards of shell rock a distance of not to exceed 300 feet; 1,193 cubic yards of hard pan a distance of not to exceed 300 feet; and 6,627 cubic yards of boulder gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 421,364 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That it would be necessary to place 88,540 cubic yards of riprap, the overhaul on which would amount to 658,432 cubic yards.

That it would ne benecessary in order to reproduce said line in its present condition to clear 30.62 acres, which clearing for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $50 per acre; it would be necessary to grub 28.75 stations, which for the purpose of ascertaining the cost of reproduction is estimated to cost $15 per station.

That along said line there is now 6,325 lineal feet of side track, the grading for which side track is not included in the grading quantities above mentioned, and which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot.

That since the original construction of said line the grade and banks thereof have been widened, necessitating the placing of 41,051 cubic yards of material, which is not included in the grading quanti ties above mentioned.

That during the time the said line was under the control of the construction department, and after the grading was completed, portions of said line were destroyed by unusual freshets, necessitating the expenditure of $34,547.23 to reconstruct and repair the damage done by such freshets.

That to reproduce the bridges, trestles and culverts on said branch line it would be necessary to construct 2,523 lineal feet of pile bridges; 400 lineal feet of frame trestles; 832 lineal feet of pile bridge approach; 688 lineal feet of frame bridge approach; 144 lineal feet of combination pile and frame bridge approach; and 1,023 lineal feet of Howe Truss bridges; 37,507 feet B. M. timber in culverts and wooden boxes; 16.5 cubic yards stone masonry in culverts; 312 lineal feet of 16-inch cast iron pipe; 342 lineal feet of 18-inch cast iron pipe; 270 lineal feet of 20-inch cast iron pipe; 264 lineal feet of 24-inch cast iron pipe; 48 feet of 30-inch cast iron; and 36 feet of 36-inch cast iron pipe; and 30 feet of 6-inch vitrified pipe. That since the

original construction of said line bridges have been filled, necessitating the placing of 14,837 cubic yards of material which is not included in the grading quantities mentioned above.

That in order to reproduce the said line, including side tracks, in the condition in which the same now is, it would be necessary to lay 87,551 ties.

That in order to reproduce the said line, including the side tracks, in the condition in which the same now is, it would be necessary to lay 2,628.06 tons of steel rails, the same requiring 355,380 pounds of splices, 34,394 pounds of bolts, 187,236 pounds of spikes, 26,244 rail braces, and 3,200 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated at the cost of $5,440, in place.

That to reproduce the ballast on said branch line it would be necessary to ballast with earth 26.23 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $600 per mile.

That in order to reproduce the said branch line, including the side tracks, it would be necessary to lay 29.79 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 49.5 miles of barbed wire fences. That the crossings, cattle guards and signs along the said branch line would cost at the present time, to reproduce new, the sum of $1,509.50.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said branch line would cost to reproduce new the sum of $791.88.

That the station buildings along the said branch line consist of 3,184 square feet, floor area, of the O. R. & N. standard one-story frame station buildings; 4,612 square feet floor area station platforms, and the furniture and fixtures for the said station buildings would cost to reproduce the same new the sum of $447..

That the water stations along the said branch line would cost to reproduce the same new the sum of $3,434.

That the miscellaneous structures along the said branch line consist of 1,253 square feet floor area of O. R. & N. standard white section houses; 1,085 square feet floor area of O. R. & N. standard Chinese section houses; 576 square feet floor area of tool, coal and miscellaneous sheds; 372 square feet floor area of water closets; 3,360 square feet of O. R. & N. standard stockyards, and 120 water barrels.

No. 15.

That that portion of the branch lines of the Oregon Railroad & Navigation Company extending from La Crosse to Connell, and being 53.12 miles in length, was constructed, as before stated, by the Columbia & Palouse Railroad Company, and cost, in connection with

other portions of the line, the sum hereinbefore stated.

That to reproduce the grading quantities on said line in the condition in which the same now are it would be necessary to move 448,437 cubic yards of earth a distance of not to exceed 300 feet; 13,401 cubic yards of loose rock a distance of not to exceed 300 feet; 43,230 cubic yards of solid rock a distance of not to exceed 300 feet; 6,368 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 511,436 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance. That it would be necessary to place 4,701 cubic yards of riprap. That along said line there is now 7,513 lineal feet of side tracks, the grading for which side tracks is not included in the grading quantities above mentioned, and which grading for the purpose of ascertaining the cost of reproduction is estimated to cost 40 cents per lineal foot. It would be necessary to clear .88 acres and to grub 3.52 stations.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 1,490 lineal feet of pile bridges; 365 lineal feet of frame trestles; 264 lineal feet of combination pile and frame bridges; 208 lineal feet of frame approach, and 151 lineal feet of pile and frame approach; one 150-foot Howe Truss bridge; 58,609 feet B. M. timber in culverts and wooden boxes; 156 feet of 18-inch cast iron pipe; 72 feet of 18-inch corrugated steel pipe; 114 feet of 24-inch corrugated steel pipe; 108 feet of 33-inch corrugated steel pipe; 24 feet of 36-inch corrugated steel pipe; 68 cubic yards stone masonry in culverts. That since the original construction of said line, bridges have been filled, necessitating the placing of 4,567 cubic yards of material not included in the grading quantities mentioned above.

That to reproduce the said line, including the side tracks, in its present condition, it would be necessary to lay 165,976 ties. That to reproduce the said line, including side tracks, in its present condition, it would be necessary to lay 5,064.93 tons of steel rails, the same requiring 450,639 pounds of splices, 65,255 pounds of bolts, 358,890 pounds of spikes, 26,480 rail braces and 6,560 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of production are estimated at a cost of $4,008, in place.

That to reproduce the ballast on the said branch line it would be necessary to ballast with earth 53.12 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $600 per mile.

That to reproduce the line in its present condition it would be necessary to lay 56.52 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 14 miles of barbed wire fence. That the crossings, cattle guards and signs along the said line would cost, at present prices, to reproduce new the sum of $1,140.12.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said branch line would cost to reproduce the same new the sum of $1,603.69.

That the station buildings along the said line consist of 4,070 square feet floor area of O. R. & N. standard one-story frame station buildings; 4,181 square feet floor area of station platforms, and that the furniture and fixtures for the station buildings would cost to reproduce new the sum of $641.50.

That in order to reproduce new the water stations along said lines it would cost the sum of $3,399.

That the miscellaneous structures along the said line consist of 710 square feet floor area of O. R. & N. standard white section houses; 649 square feet floor area of O. R. & N. standard Chinese section houses; 330 square feet floor area of tool, coal and miscellaneous sheds; 340 square feet floor area of water closets; 312 square feet floor area of oil, sand and pump houses; 564 square feet of miscellaneous platforms; 9,542 square feet of O. R. & N. standard stockyards, and 120 water barrels.

No. 16.

That that portion of the branch line of the Oregon Railroad & Navigation Company extending from Starbuck to Pomeroy, a distance of 30.13 miles, was constructed by the Oregon Railway & Navigation Company in the year 1885, and cost the Oregon Railway & Navigation Company and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of $342,190.07.

That in order to reproduce the grading on said branch line it would be necessary to move 215,141 cubic yards of earth a distance of not to exceed 300 feet; 3,805 cubic yards of loose rock a distance of not to exceed 300 feet; 2,360 cubic yards of solid rock a distance of not to exceed 300 feet; 6,938 cubic yards of cemented gravel a distance of not to exceed 300 feet; 11,423 cubic yards of hard pan a distance of not to exceed 300 feet; and of the quantities above mentioned it would be necessary to move an equivalent of 238,578 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance. It would be necessary to clear 5.72 acres and to grub 4 stations.

It would be necessary to place 5,146 cubic yards of riprap.

That along said line there is now 3,239 lineal feet of side track and the grading for which was not included in the grading quantities above mentioned, and for which the purpose of ascertaining the cost of reproduction is estimated to cost the sum of 40 cents per lineal foot.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 822 lineal feet of pile bridges; 133 lineal feet of frame trestles; 368 lineal feet of combination pile and frame trestles; 101,311 feet B. M. timber in culverts and wooden boxes; 60 feet of 12-inch cast iron pipe; 72 feet of 18-inch cast iron

pipe; 294 feet of 24-inch cast iron pipe; 48 feet of 36-inch cast iron pipe, and 48 feet of 24-inch corrugated steel pipe; and to place 75 cubic yards concrete masonry in pipe end walls.

That subsequent to the construction of said road there has been 8,411 cubic yards of material placed in filling bridges and trestles, the same not being included in the grading quantities above mentioned. That to reproduce the said line, including the side tracks along the same, in its present condition, it would be necessary to lay 94,984 ties.

That to reproduce the said line, including side tracks along the same, in its present condition, it would be necessary to lay 2,839.98 tons of steel rails, the same requiring 395,580 pounds of splices, 37,258 pounds of bolts, 204,634 pounds of spikes, 15,328 rail braces, and 3,620 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of production are estimated to cost $1,973, in place.

That to reproduce the ballasting on said line it would be necessary to ballast with earth 30.13 miles, which for the purpose of ascertaining the cost of production is estimated to cost the sum of $600 per mile.

That to reproduce the line it would be necessary to lay 32.27 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile.

That it would be necessary in order to reproduce the said line in its present condition to construct 56 miles of barbed wire fence.

That the crossings, cattle guards and signs along the line would cost at present prices to reproduce new the sum of $1,005.88.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line would cost to reproduce new the sum of $909.74.

That the station buildings along said line consist of 2,354 square feet floor area of O. R. & N. standard one-story station buildings; 3,434 square feet of station platforms; that the furniture and fixtures contained in said station buildings, for the purpose of ascertaining the cost of reproduction is estimated to cost $323.

That the shops, round houses and turn tables along the said portion of said line consist of one 2-stall frame engine house, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,000, and one 50-foot wooden turn table, which for the purpose of ascertaining the cost of reprodutcion is estimated to cost the sum of $1,000.

That to construct new the water stations along the said line would cost the sum of $5,121.

That the miscellaneous structures along the said portion of said line consist of 1,764 square feet floor area of O. R. & N. standard white section houses; 1,647 square feet floor area of O. R. & N. standard Chinese section houses; 696 square feet floor area of tool, coal and miscellaneous sheds; 432 square feet floor area of water closets; 168 square feet floor area of oil, sand and pump houses;

1,188 square feet of miscellaneous platforms; 13,992 square feet of O. R. & N. standard stockyards, and 60 water barrels.

No. 17.

That that portion of the branch line of the Oregon Railroad & Navigation Company in Washington, extending from Walla Walla to Riparia, and being 55.85 miles in length, together with that portion of the branch line extending from Bolles to Dayton, and being 13.26 miles in length were constructed by the Oregon Railway & Navigation Company in 1882 and cost said Oregon Railway & Navigation Company, and the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of $2,235,553.79.

That to reproduce the grading on said portion of said line extending from Walla Walla to Riparia, and being 55.85 miles in length, in its present condition, it would be necessary to move 728,296 cubic yards of earth a distance of not to exceed 300 feet; 55,303 cubic yards of loose rock a distance of not to exceed 300 feet; 130,574 cubic yards of solid rock a distance of not to exceed 300 feet; 2,595 cubic yards of cemented gravel a distance of not to exceed 300 feet, 439 cubic yards of boulder gravel a distance of not to exceed 300 feet. It would be necessary to place 364 cubic yards of riprap. It would be necessary to clear 15 acres. And of the quantities above mentioned it would be necessary to move an equivalent of 615,579 cubic yards a distance of 100 feet in excess of said 300 feet free haul allowance.

That there is on said portion of said line from Walla Walla to Riparia 15,482 lineal feet of side tracks, the grading for which is not included in the grading quantities shown above, and that for the purpose of ascertaining the cost of reproduction said grading is estimated to cost 40 cents per lineal foot.

That subsequent to the construction of said portion of said line from Walla Walla to Riparia the banks were widened, and that 143,678 cubic yards of material were used for this purpose, said material not being shown in the grading quantities shown above.

That to reproduce the bridges, trestles and culverts on said line from Walla Walla to Riparia it would be necessary to construct 688 lineal feet of pile bridges; 1,216 lineal feet of frame bridges; 820 lineal feet of high frame trestles; 160 lineal feet of pile bridge approaches and one 72-foot Howe Truss bridge; 64,438 feet B. M. of timber in culverts and wooden boxes; 264 feet of 12-inch cast iron pipe; 108 feet of 16-inch cast iron pipe; 872 feet of 18-inch cast iron pipe; 158 feet of 20-inch cast iron pipe; 1,248 feet of 24-inch cast iron pipe; 108 feet of 30-inch cast iron pipe; 660 feet of 36-inch cast iron pipe; 244 feet of 10-inch vitrified pipe; 1,864 feet of 12-inch vitrified pipe; 170 feet of 14-inch vitrified pipe, and 804 feet of 16-inch vitrified pipe; 84 feet of 18-inch vitrified pipe; 216 feet of 24-inch vitrified pipe, and 216 feet of 18-inch corrugated steel pipe; and to place 4 cubic yards of concrete masonry in pipe end walls.

That subsequent to the construction of said portion of said line from Walla Walla to Riparia there has been used in filling bridges 251,962 cubic yards of material, which is not included in the grading quantities shown above, and which should be included in the cost of reproduction.

That to reproduce the said line from Walla Walla to Riparia, including side tracks along the same, it would be necessary to lay 197,090 ties.

That to reproduce the said line from Walla Walla to Riparia, including the side tracks along the same, it would be necessary to lay 6,434.49 tons of steel rails, the same requiring 816,631 pounds of splices, 80,273 pounds of bolts, 424,158 pounds of spikes, 10,980 light tie plates, 54,006 rail braces, and 10,720 pounds of nut locks; and frogs and switches, which for the purpose of ascertaining the cost of reproduction as estimated to cost the sum of $10,880, in place.

That to reproduce the ballasting on said line from Walla Walla to Riparia it would be necessary to ballast with earth 54.49 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $600 per mile, and to ballast with gravel 1.59 miles, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,100 per mile.

That to reproduce the line from Walla Walla to Riparia it would be necessary to lay 67.78 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700 per mile. And that it would be necessary to place tie plates, and the labor of placing the same is estimated to cost $164.

That it would be necessary in order to reproduce said line from Walla Walla to Riparia, in its present condition, to construct 105.5 miles of barbed wire fence.

That the crossings, cattle guards and signs along the said line from Walla Walla to Riparia would cost at present price, to reproduce the same, the sum of $1,896.50.

That in order to reproduce the said portion of said line from Walla Walla to Riparia, in its present condition, it would be necessary to install one train order signal, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $225.

That the interest of the Oregon Railroad & Navigation Company in the telegraph lines along the said portion of said line from Walla Walla to Riparia would cost to reproduce new the sum of $1,685.99.

That the station buildings along the said portion of said line from Walla Walla to Riparia consist of one uncompleted brick station building at Walla Walla, which had cost to June 30, 1907, the sum of $16,541.87, and it would be necessary to expend a like amount to reproduce the same; 648 feet floor area of O. R. & N. standard two-story frame station buildings; 6,248 feet floor area of O. R. & N standard one-story frame station buildings; 53,329 square feet of station platforms; and that the furniture and fixtures contained in said station

buildings, for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $1,109.

That the shops, round houses and turn tables along said line from Walla Walla to Riparia consist of 5,356 square feet floor area of brick shops; 1,216 square feet floor area of frame shops; one brick engine house containing fifteen stalls; one frame engine house containing four stalls; one 54-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost $2,500, and one 75-foot steel turn table, which for the purpose of ascertaining the cost of reproduction is estimated to cost $6,535.

That to reconstruct new the water stations along the said portion of said line from Walla Walla to Riparia would cost the sum of $11,972.

That to reproduce the fuel stations along said portion of said line from Walla Walla to Riparia it would be necessary to construct one 14-pocket coal cnute, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $10,000.

That the storage warehouses along the said portion of said line from Walla Walla to Riparia consist of 8,450 square feet floor area. That the miscellaneous structures along the said portion of said line from Walla Walla to Riparia consist of 5,696 square feet floor area of O. R. & N. standard white section houses; 3,132 square feet floor area of O. R. & N. standard Chinese section houses; 5,540 square feet floor area of freight sheds; 5,584 square feet floor area of offices and dwellings; 1,892 square feet floor area of tool, coal and miscellaneous sheds; 1,860 square feet floor area of water closets; 1,260 square feet floor area of oil, sand and pump houses; 30,762 square feet of miscellaneous platforms; 3,600 square feet floor area of ice houses; 15,358 square feet floor area of O. R. & N. standard stockyards; one set of 50-ton track scales; 60 water barrels; and fire protection, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $520.

No. 18.

That that portion of the branch line of the Oregon Railroad & Navigation Company owned and operated by it extending from Bolles to Turner, and being 25.06 miles in length, was built, that portion from Bolles to Dayton by the Oregon Railway & Navigation Company in the year 1881 as hereinbefore stated, and that portion from Dayton to Turner, being 11.8 miles in length, being constructed by the Oregon Railroad & Navigation Company in the year 1899; that portion from Dayton to Turner cost the Oregon Railroad & Navigation Company, including betterments and improvements, down to the 30th day of June, 1907, the sum of $218,646.32.

That in order to reproduce the grading on that portion of the branch from Bolles to Turner it would be necessary to move 331,193 cubic yards of earth a distance of not to exceed 300 feet; 1,465 cubic

yards of loose rock a distance of not to exceed 300 feet; 9,084 cubic yards of solid rock a distance of not to exceed 300 feet; and 2,501 cubic yards of special earth a distance of not to exceed 300 feet; and to place 312 cubic yards riprap and to clear 3 acres, and of the quantities above mentioned it would be necessary to move an equivalent of 242,736 cubic yards a distance of 100 feet in excess of the said 300 feet free haul allowance.

That along the said line there is now 6,304 lineal feet of side track the grading for which is not included in the grading quantities above mentioned, which for the purpose of ascertaining the cost of reproducing the same is estimated to cost the sum of forty cents per lineal foot.

That since the original construction of the said branch, the grade and banks have been widened necessitating the placing of 41,051 cubic yards of material, which is not included in the grading quantities above mentioned.

That to reproduce the bridges, trestles and culverts on said line it would be necessary to construct 888 lineal feet of pile bridges, 168 lineal feet of frame trestles; 676 lineal feet of combination pile and frame bridges; 340,788 feet B. M. of timber in culverts; and wooden boxes; 24 feet of 18-inch cast iron pipe; 24 feet of 24-inch cast iron pipe; 48 feet of 30-inch cast iron pipe, and 112 feet of 18-inch corrugated steel pipe, and 96 feet of 12-inch vitrified pipe. That since the original construction there has been 15,568 cubic yards of material used in filling bridges and trestles, and the same is not included in the grading quantities above set out.

That to reproduce the said line including the side tracks, in the condition in which the same now is, it would be necessary to lay 85,442 ties.

That to reproduce the said line, including the side tracks, in the condition in which the same now is, it would be necessary to lay 2,573.20 tons of steel rails, the same requiring 345,472 lbs. of splices, 33,671 lbs. of bolts, 183,632 lbs. of spikes, 3,460 rail braces, and 3,020 lbs. of nut locks, and frogs and switches, which for the purpose of ascertaining the cost of reproduction are estimated to cost $4,560.00 in place.

That to reproduce the ballast on said line it would be necessary to ballast with earth 25.6 miles, which for the purpose of reproduction is estimated to cost the sum of $600.00 per mile.

That to reproduce the line in its present condition, it would be necessary to lay 29.28 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700.00 per mile.

That it would be necessary, in order to reproduce the said line in its present condition, to construct 44 miles of barbed wire fence. That the crossings, cattle guards and signs along that portion of the line would cost, at present prices, to reproduce new, the sum of $1,994.50.

That the interest of the Oregon Railroad & Navigation Company

in the telegraph lines along said line would cost to reproduce new the sum of $756.56.

That the station buildings along said line consist of 1,536 square feet floor area of O. R. & N. standard two-story station buildings; 1,980 square feet floor area of O. R. & N. standard one-story station buildings; and 4,452 square feet floor area of station platforms; and the furniture and fixtures for the said station buildings along said line, would cost to reproduce new the sum of $971.50.

That the shops, round houses and turn tables along said line consist of 1,120 square feet floor area of frame shops; one 1-stall frame engine house; one 50-foot steel turn table; which turn table for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $2,500.00; two 60-foot turn tables, which for the purpose of ascertaining the cost of reproduction are estimated to cost $3,000.00 each.

That in order to reproduce the water stations along said line new, it would cost the sum of $2,050.00.

That the storage warehouses along the said line consist of 25,180 square feet floor area.

That the miscellaneous structures along said portion of said branch line consist of 656 square feet floor area of O. R. & N. standard White section houses; 268 square feet floor area of O. R. & N. standard Chinese section houses; 1,896 square feet floor area of freight sheds; 1,081 square feet floor area of tool, coal and miscellaneous sheds; 192 square feet floor area of water closets; 2,704 square feet floor area of miscellaneous platforms; 8,652 square feet of O. R. & N. standard stock yards, and 50 water barrels.

No. 19.

That during the time that the Oregon Railway & Navigation Company's lines were in the hands of a receiver the operating accounts were not correctly kept so as to show the proper division between betterments and improvements and operating expenses, and during said time betterments and improvements were made on said line amounting to the sum of $16,882.23 which were charged to operating expenses instead of betterments and improvements, and which sum is properly chargeable to the lines in the state of Washington as part of the original cost.

No. 20.

That the average height of the pile bridges on all of the lines, main and branch, hereinbefore referred to is twelve feet.

That the average height of the frame trestles on all of the said lines hereinbefore referred to is 13 feet.

That the average height of the combination pile and frame trestles hereinbefore referred to is 14 feet.

That the average height of the high frame trestles hereinbefore referred to is 70 feet.

That the average height of the pile approaches hereinbefore referred to is 20 feet.

That the average height of the frame approaches hereinbefore referred to is 15 feet.

That the average height of the combination pile and frame approaches hereinbefore referred to is 15 feet.

21.

That the rail lines of the Oregon Railroad & Navigation Company situate in the state of Washington, and hereinbefore referred to, as shown by the books and records of the said railroad company, exclusive of equipment, and exclusive of the terminal grounds in the city of Spokane owned by the Spokane Union Depot Company, cost the sum of $11,979,688.93.

That included in said amount is the moneys paid for engineering, superintendents and inspection, right of way, lands, depot grounds (excluding the terminals in Spokane) moneys expended for grading, clearing and grubbing, tunnels, bridges and trestles, culverts, ties, rails, track fastenings, frogs and switches, ballast, track laying and surfacing, fencing, crossings, cattle guards and signs, telegraph lines, station buildings and fixtures, section houses, engine houses, and shops, turn tables, shop machinery and tools, water stations and miscellaneous structures and moneys spent for legal expenses; the sum of $279,101.57 expended for interest and discount during construction, and said sum also includes the amount shown on their books for general taxes and general expenses during construction. That in order to reproduce the said line in the condition in which they were on the 30th day of June, 1907, (all material and structures being considered as new) exclusive of equipment, exclusive of right of way, terminal grounds, lands and real estate, and exclusive of any allowance for discount and stores on hand, it would cost the sum of $11,507,255.92. That included in said sum is the cost of engineering, superintendence and inspection estimated at $363,206.34. That the total amount charged for engineering, superintendence and inspection in the original construction of said lines was the sum of $348,286.99.

That included in said estimate of the cost of reproduction is an allowance for legal and general expenses amounting to the sum of $103,811.80.

That the amount paid for legal and general expenses as shown by the books of the said company, for the original construction of said line, was the sum of $53,811.03.

That during the construction of many of the lines in Washington, the legal and general expenses properly chargeable to such construction were largely borne by the parent company, to-wit, the Oregon Railway & Navigation Company, and such charges would not, therefore, be made against the particular lines.

That included in such estimate of the cost of reproduction is an

allowance for interest during construction amounting to the sum of $647,857.76.

That the amount charged for interest, including discounts, as shown by the books of the Oregon Railroad & Navigation Company, during the construction of said line, was the sum of $279,101.57.

That the said lines were constructed in small sections, the moneys advanced by the parent company the Oregon Railway & Navigation Company, and in some instances no charge was made for interest during construction.

That all of said lines were constructed on an average of less than one year from the time construction was commenced thereon.

That two years would be a reasonable time within which to reconstruct the said lines. That an allowance of one year's interest would be a reasonable allowance for the money that would be invested during such construction.

That included in the said cost of reproduction is an allowance of $64,601.00 for channeling (which covers changes of channels of streams).

That included in the said cost of reproduction is an allowance of $23,021.00 for shop machinery and tools.

No. 22.

That as before stated the real estate, lands, station buildings and terminal grounds used and operated by the Oregon Railroad & Navigation Company in the City of Spokane, are owned by the Spokane Union Depot Company, a corporation, the capital stock of which appears to be owned and controlled by the Oregon Railroad & Navigation Company and the property is leased to the Oregon Railroad & Navigation Company, and operated as a part of its system, and for the purpose of ascertaining the value of the property owned by the Oregon Railroad & Navigation Company, the said property is treated in these findings as being owned by it.

That the Spokane Union Depot Company and the Oregon Railroad & Navigation Company have expended in purchasing lands, grading, improving, track laying, and in betterments and improvements down to the 30th day of June, 1907, on such property, not including the Jenkins property hereinafter referred to, the sum of $1,030,824.00 of which $753,751.45 is charged to lands and depot grounds and which last mentioned disbursement and sum is made up of the following items: $151.45 in cash, 4,996 shares of stock of the Spokane Union Depot Company of the par value of $499,600.00, first mortgage bonds of the Spokane Union Depot Company in the sum of $254,000.00, said first mortgage bonds, capital stock and the said sum of $151.45 in cash, being paid to the Seattle Lake Shore and Eastern Railway Company as the purchase price of the Spokane Union Depot grounds. That in order to reproduce the grading on the said grounds it would be necessary to move 114,585 cubic yards of solid rock excavation;

211,759 cubic yards of common excavation; it would be necessary to place 19,349 ties; it would be necessary to lay 720.73 tons of steel rails necessitating the use of track fastenings as follows: 3,720 pounds of 56-pound fish plates, 95,499 pounds of 60-pound angle bars; 9,477 pounds of bolts; 3,401 rail braces and 40,814 pounds of spikes.

And it would be necessary to place forty-two 60-pound No. 8½ frogs with split switches, complete; three 56-pound No. 8½ frogs with stub switches complete.

It would be necessary to lay 7.73 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost the sum of $700.00 per mile.

That it would be necessary to ballast 7.73 miles of track, which for the purpose of ascertaining the cost of reproduction is estimated to cost $1,500.00 per mile.

That in order to reproduce the said terminal grounds in their present condition, it would be necessary to erect a passenger depot, freight house, office building, coal and ice houses, section house, store house, engine house, blacksmith shop, sixty-foot steel turn table, track scales, water stations and fire protection for freight depot.

That the Spokane Union Depot Company and the Oregon Railroad & Navigation Company have expended for construction of their line including grading, the erection and construction of all buildings and improvements on said lands down to the 30th day of June, 1907, as appears from the accounting records of the Oregon Railroad & Navigation Company, the sum of $277,072.55.

That the said accounting records show that there has been expended for rails on said terminal grounds the sum of $7,243.41, whereas a greater amount has necessarily been expended for such rails, and said accounting records show that there has been expended for ties $2,398.00 whereas a much greater amount has been expended, and the Commission finds that a greater sum has been expended than as shown by the accounting records.

That it would cost to reproduce the improvements on the said Spokane terminal grounds, in their present condition, new, in cash, the sum of $421,527.20.

No. 23.

That after a railroad is originally constructed and after the same is turned over to the operating department, improvements are constantly made in the grading and surfacing of the road by section men and by the operating department of the road, the expenditure of which is necessarily charged to the cost of operation, and that for approximately five years after such road is turned over to the operating department the grade undergoes what is known as seasoning and after said term of five years said grade has appreciated in value and is approximately of a value ten per cent. greater than its value would be at the time the same was turned over to the operating department.

That the tunnels remain of approximately the same value and neither appreciate nor depreciate.

That the bridges, trestles and culverts depreciate annually wooden bridges materially and steel and iron bridges but slightly, and that the present value of the bridges, trestles and culverts along all the lines of the Oregon Railroad & Navigation Company is approximately 84.3 per cent. of the cost of reproduction new.

That the ties, untreated, have an average life of approximately seven years, and that as the same are renewed from time to time the expense is chargeable to operating expenses.

That the Oregon Railroad & Navigation Company have from time to time renewed their ties and the present value of the ties is approximately fifty per cent. of the cost of reproducing the same new.

That the rails, track fastenings, and frogs and switches have depreciated so that the present value of the same is approximately seventy-five percent. of the cost of reproducing the same new.

That the present value of the fencing is sixty per cent. of its original value.

That the present value of the crossings, cattle guards and signs is approximately 50% of its value new.

That the interlocking and signal apparatus, telegraph lines, ballast and track laying and surfacing is an equal value as its original cost.

That the present value of the station buildings and fixtures is approximately 53.3% of its value new.

That the present value of the shops, round houses and turn tables is approximately 63% of its value new.

That the value of the shop machinery and tools and water stations is approximately 75% of its value new.

That the present value of the fuel stations is approximately 49% of its value new.

That the present value of the storage warehouses is approximately 61% of its value new.

That the present value of the miscellaneous structures is approximately 57.4% of its value new.

That the present value of the section equipment is approximately 70% of its value new.

That the present value of the property mentioned in finding No. 19 in its present condition, allowing for appreciation and depreciation, basing the same solely upon the cost of reproduction is the sum of $10,254,717.76.

No. 24.

That the total equipment of the Oregon Railroad & Navigation Company on its entire line in Washington, Oregon and Idaho consists of 158 locomotives, and the locomotive mileage in the state of Washington is 29.7 per cent. of the locomotive mileage of the system; sixty coaches and chair cars and the car mileage of coach and chair cars in the state of Washington is 31.6 percent. of the coach and chair

car mileage of the entire system; 10 dining and buffet cars and the car mileage of such dining and buffet cars in the state of Washington is 26 percent of the dining and buffet car mileage of the entire system; 35 baggage, express and postal cars, and the car mileage on such equipment in the state of Washington is 26.3 per cent of the mileage for such equipment of the entire system; 5 combination coach and baggage cars, the car mileage of such equipment in the state of Washington being 26.3 percent of the car mileage of such equipment for the entire system; 82 coal cars, 227 flat cars, 297 stock cars, 1,812 box cars, 160 furniture cars, 7 refrigerator cars, 45 oil tanks, 20 steel ore cars, 4 combination box and stock cars, and the car mileage in the state of Washington of such equipment is 25 percent of the total car mileage on such equipment for the entire system; 4 business (company service) cars, the car mileage of which in the state of Washington represents 31.6 percent of the car mileage of such equipment for the entire system; 44 cabooses, the car mileage on such cabooses in the state of Washington being 25 percent of the car mileage on such equipment for the entire system.

Road and miscellaneous cars as follows: 248 ballast cars, 1 flanger, 2 rotary snow plows, 8 derrick cars, 2 pile drivers, 8 water cars, 2 ballast spreaders, 2 ballast unloaders, one gravel plow, 2 steam shovels, 374 work cars, 5 coal cars, 15 flat cars, 6 old coaches, one old observation car, one clam shell and one outfit car, the car mileage on such equipment in the state of Washington being 27.6 percent of the car mileage on such equipment for the entire system. That the records of the Oregon Railroad & Navigation Company have been so kept that their equipment account fails to show the amount of money expended for the purchase of the particular equipment above referred to, such equipment account showing the amounts expended for all equipment used, irrespective of whether the same is now in existence or not. The Commission finds by estimating that the equipment above described cost the sum of $1,274,496.80.

hat it would cost to reproduce that portion of the equipment applicable to the state of Washington, based upon the different equipment mileage above set out, new, in cash, the sum of $1,499,408.00.

That the present average value of the locomotives is 71.7 percent of their value new.

That the present value of the coaches and chair cars is 66% of their value new.

That the present value of the dining and buffet cars is 80% of their value new.

That the present value of the baggage, express and postal cars is 60% of their value new.

That the present value of the combination cars is 20% of their value new.

That the present value of the freight cars is 56% of their value new.

That the present value of the company service equipment is 55.4% of their value new.

That the present fair, cash, market value of the equipment properly chargable to the state of Washington, based on the equipment mileage before stated, on the 30th day of June, 1907, was and is the sum of $921,360.00.

No. 25.

That the lines of the Oregon Railroad & Navigation Company in the state of Washington extend through a highly developed and rich agricultural section producing annually large quantities of wheat and grain, which wheat and grain is shipped over the lines of the Oregon Railroad & Navigation Company to Portland, Oregon, either in its natural condition or in flour and mill feed, large portions of such wheat and grain and flour being exported to foreign markets. That along the line of the said railroad there are many warehouses owned by private individuals, situate upon the company's right of way affording good facilities for storage and shipment of such grains and by reason thereof adding great value to the lines of the said railroad. That as before stated the lines of the said road in Washington, are a part of the system of the Oregon Railroad & Navigation Company having its terminals at Portland.

That the said railroad company owns in Portland large terminal grounds and owns docks and ware houses and along its line in Portland there are constructed and in operation large docks and warehouses owned by private individuals, all of which docks and warehouses afford ample facilities for the handling and storing of the wheat and grain, and ample facilities for the transhipment of the same from the rail lines to water lines, which facilities owned by the Oregon Railroad & Navigation Company and owned by private individuals are of great value to the lines of the Oregon Railroad and Navigation Company situate within the state of Washington, in that it permits the Oregon Railroad & Navigation Company to afford ample facilities to the shippers along its line to handle and care for the product of the soil in an advantageous manner.

That a very large proportion of the business transacted by the Oregon Railroad & Navigation Company is interstate business, that is to say, business originating in Washington, passing over the lines in Washington and over the lines in Oregon destined to Portland, and business originating in Portland, passing over the lines of the Oregon Railroad and Navigation Company in Oregon and over the lines of the said Company in Washington.

That the terminals in the city of Spokane, hereinbefore referred to are required largely by the said Oregon Railroad & Navigation Company in the conduct of its interstate business and give an increased value to the entire system of the said company and to each mile of its road wherever situate.

No. 26.

That included in said buildings and structures along the line of the Oregon Railroad & Navigation Company, are certain warehouses

aggregating 40,769 square feet floor area, estimated to cost new the sum of $40,769.00, and having a present value of $24,889.19. These warehouses are used by the Oregon Railroad & Navigation Company in its capacity as a warehouseman and not in its capacity as a common carrier, the same being used for the storage of grain in the same manner as warehouses along its line owned by private individuals.

No. 28.

That the Oregon Railroad & Navigation Company have their general shops for repairing and constructing equipment and such general repairs as are necessary in the operation of a railroad in the city of Portland, Oregon.

That such repair shops are necessary for the conduct and operation of a railroad and adds greatly to the value of the rail lines of the said company in the state of Washington.

No. 28.

That the right of way, terminal grounds and real estate used by said railroad company for railroad purposes, exclusive of the Spokane terminals owned by the Spokane Union Depot Company, and hereinbefore referred to, cost the Oregon Railroad & Navigation Company, the sum of $320,530.51. Which sum is, however, included within the cost of construction of the different portions of said lines hereinbefore given.

No. 29.

That in order to acquire lands for right-of-way it is necessary for such railroads to pay, in addition to the actual market value of the lands taken, a sum ranging from the actual value to 500 percent addition to such market value, to cover consequential damages to lands not taken and because of the necessities of the railroads to have the particular piece of land sought as necessary for their right-of-way.

No. 30.

That it would cost at the present time to reproduce the right of way, lands and terminal grounds of the said railroad, used for railroad purposes, and such as it now owns which in the immediate future will be necessary for it to use for railroad purposes, the sum of $2,248,169.73, which sum is divided along the line of said railroad as follows:

That part of the main line of the said Oregon Railroad & Navigation Company extending from the southeasterly limits of the city of Spokane to the Southerly boundary of Spokane County, the sum of $156,430.50.

That portion of the main line extending from the south boundary of Spokane County down to the Snake River and all being in Whitman County, the sum of $451,695.27.

That portion of the main line in Columbia County extending from Riparia to the East boundary of Walla Walla County, the sum of $11,448.00.

All of that portion of the main line extending from the boundary between Columbia and Walla Walla counties to the Washington-Oregon state line, the sum of $61,362.15.

That portion of the branch line of the Oregon Railroad & Navigation Company extending from Fairfield to Waverly in Spokane County, the sum of $7,944.00.

That portion of the branch lines of the said railroad in Whitman County extending from Tekoa to the state line, from Connell to the Idaho State line and from La Crosse to the Adams County line, the sum of $120,169.06.

That portion of the branch line extending from Connell to the boundary between Adams and Franklin Counties, the sum of $30,000.00.

That portion of the branch line extending through Adams County the sum of $9,019.60.

All that portion of the branch line in Columbia County extending from Grange City to the Columbia-Walla Walla County boundary line and from Starbuck to the Columbia-Garfield county line, and from the Columbia-Walla Walla county line to Turner, the sum of $109,455.48.

That portion of the branch line in Garfield County extending from the Garfield-Columbia County line to Pomeroy, the sum of $38,331.36.

All that portion of the branch line in Walla Walla County extending from Bolles Junction Northerly to the Walla Walla-Columbia county line, and from Bolles Junction easterly to the Walla Walla-Columbia county line and extending from Bolles Junction to the northerly limits of Walla Walla, and extending from the Oregon-Washington state line to the southerly limits of Walla Walla, and extending from the westerly limits of Walla Walla to Wallula the sum of $169,074.46.

All that portion of the branch line extending from Seltice to Winona, the sum of $136,000.00.

And that portion of the line between the corporate limits of the city of Walla Walla, the sum of $122,350.60.

That it would cost to reproduce the lands embraced within the right of way and terminals at Spokane, owned by the Spokane Union Depot Company but operated by the Oregon Railroad & Navigation Company, the sum of $824,883.75, not including the property known as the Jenkins tracts hereinafter referred to.

No. 31.

That the Oregon Railroad & Navigation Company own in the city of Spokane in addition to the property hereinbefore described as the Union Depot Grounds, two tracts of land purchased from D. P. Jenkins, one of such tracts of land being bounded by Monroe, Mallon, Gardner, and the Westerly limits of Jefferson street, and constituting 464,625 square feet, and a triangular piece bounded by Mallon, Monroe, center of Mill street and the right-of-way of the St. Paul, Minneapolis and Manitoba railroad company, and containing 340,027 square feet. That said property is of the reasonable market value and it would cost to reproduce the same the sum of $225,000.00.

That such property is not used by the Oregon Railroad & Navigation Company for railroad purposes.

That it is the intention of the Oregon Railroad & Navigation Company to extend its lines on to said property and lease the same for warehouse purposes, and the Commission finds that the same is not now necessary, nor will the same be necessary in the immediate future, for railroad purposes, and that the same is commercial property and used by the Oregon Railroad & Navigation Company for Commercial purposes.

No. 32.

That the Oregon Railroad & Navigation Company own, in addition to the property hereinbefore referred to, in the city of Walla Walla a tract of land irregular in shape, North of Rose street and east of a line 200 feet east of the center line of the main track of the Oregon Railroad & Navigation Company, lying North of Rose street and east of Ritz Ave., said property being what is known as the McCauley, Miller & McCool tracts, containing approximately 24 acres of land. That said property is not used by the Oregon Railroad & Navigation Company for Railroad purposes.

That the same is intended to be used by it for warehouse purposes said railroad company intending to extend its tracks on said property for the purpose of accommodating such warehouses and affording facilities therefor, and the same is not necessary now or in the immediate future for the use of said company for railroad purposes and the Commission finds the same to be commercial property.

That the said property last above described is of the value of approximately $116,000.00.

No. 33.

That the Oregon Railroad & Navigation Company traverses the counties of Spokane, Whitman, Adams, Franklin, Garfield, Columbia, and Walla Walla.

That said counties have an area of 9,707 square miles and a population of 222,610 people.

That said company carries annually over its lines in the state of Washington approximately 1,260,000 tons of freight, State and Interstate, aggregating approximately 140,000,000 ton miles of freight carried annually, and over its lines in the state of Washington and carried annually approximately 550,000 passengers, state and interstate, aggregating 40,000,000 passengers carried one mile.

No. 34.

That in order to operate the railroad it is necessary for the road to have constantly on hand stores and supplies to meet exigencies as they arise.

That the Oregon Railroad & Navigation Company has now on hand, stores and supplies, for use upon its lines within the state of

Washington and necessary therefor, of the reasonable market value of $241,335.00.

That said stores on hand consist of all kinds of material entering into the construction, improvement, betterment and operation of a road and when the same are used to repair, improve or use in operation, they are charged up to operating expenses or improvements and betterments as the facts may justify.

No. 35.

That of the ties hereinbefore set out as being necessary to be laid in the main line approximately 50 per cent of such ties are burnettized.

And of the ties hereinbefore mentioned as being necessary to be laid to reproduce the terminals at Spokane all of such ties are burnettized.

No. 36.

That the Oregon Railroad & Navigation Company's lines through Eastern Washington traverse a rich agricultural section producing annually large quantities of grain destined for shipment over the lines of the said railroad company in car load lots including approximately 15,000,000 million bushels of wheat annually. Large quantities of the wheat, or its product in flour, is carried over the lines of the Oregon Railroad and Navigation Company to Portland and after arriving at its destination in Portland is shipped to foreign ports. That along the line of the Oregon Railroad & Navigation Company in the state of Washington, there is adequate warehouse facilities for the handling or storage of grain, which ware houses are owned and operated, excepting as to the warehouses approximating in value $40,769.00, hereinbefore referred to, by private individuals as warehousemen. but which warehouses add greatly to the facilities for freight shipment, and add to the value of the railroad lines.

No. 37.

That since the construction of the lines of the Oregon Railroad & Navigation Company through the state of Washington, said company has annually expended large sums of money advertising and exploiting the resources of the country adjacent to its line and has encouraged immigration along its lines so that the country adjacent and tributary to its lines has a comparatively large population and great density of traffic compared with other portions of the state of Washington, which density of traffic and population add value to the said lines.

No. 38.

(In view of the fact that the Oregon Railroad & Navigation Company introduced testimony tending to show the value of the terminals and shops owned by it in the state of Oregon, the Commission makes the following finding:)

The Commission finds that of the property described as the Al-

bina yards and terminals, that a strip of land lying along the Willamette River and having a frontage on said river of 6,353 feet, such portions as are now in use are used by the said Company for commercial purposes, and that such river frontage is not required for railroad purposes, and that such river frontage has a value of $635,300.00.

The Commission further finds that of that portion in section 21, all except a small portion used by the Oregon Railroad & Navigation Company for its track running to the Portland Flouring mill and its track running to St. Johns, is not now in use nor is the same necessary for the use of the company in the operation of its railroad.

That all that portion in section 28 except the strip of land covered by tracks adjoining the river frontage property hereinbefore mentioned is not now used nor is the same necessary for the use of the said company for railroad purposes.

That the reasonable value to be allowed for that portion of the Albina property in Portland used by the company, and such as would be necessary for its use in the immediate future is the sum of $650,000.00.

The Commission finds that the reasonable market value of the property owned by the Oregon Railroad & Navigation Company in Portland, known as the Alaska Dock and the Ainsworth dock, is the sum of $997,874.00.

The Commission finds that the Northern Pacific Terminal Company of Oregon is a corporation and that it owns extensive and valuable terminals in the city of Portland.

That the terminal grounds were procured by such terminal company and the improvements thereon constructed by moneys raised from the sale of bonds of the Northern Pacific Terminal Company, which bonds are still outstanding.

That the Northern Pacific Terminal company operates its property under a contract between the Northern Pacific Railway Company, the Union Pacific Railroad Company and the Oregon Railroad & Navigation Company, its earnings to be applied to the satisfaction and retiring of the bonds of said company, the stock of said Northern Pacific Terminal Company being in the hands of a trustee and such stock to be issued to the Northern Pacific Railway Company, the Union Pacific Railroad Company and the Oregon Railroad & Navigation Company, in proportion to the amounts which the said companies respectively pay into the hands of the trustee for the purpose of retiring the bonds.

That the accounting records of the Oregon Railroad & Navigation Company show that it has expended in the construction of their roads, side tracks, buildings, improvements and betterments, shop machinery and tools and filling of bridges the sum of $1,997,768.00.

That the depreciation of said structures and improvements would more than offset any additional cost in construction over what the same originally cost.

That the car and locomotive mileage in the state of Washington is approximately 27.5 per cent of the total car and locomotive mileage of the Oregon Railroad & Navigation Company's system: The track mileage in the state of Washington being 40.18% of the total track mileage of said company.

No. 39.

That the Oregon Railroad & Navigation Company has expended for its property of every kind and character in this state used for railroad purposes, and such as it will be necessary for it to use in the immediate future, the sum of $14,244,240.93.

No. 40.

That it would cost to reproduce new the line of the Oregon Railroad & Navigation Company, in cash, including all terminals within the state of Washington, all real estate used by the railroad for railroad purposes and such as is reasonably necessary in the immediate future, and all improvements thereon and including all equipment as new, as the same existed on the 30th day of June, 1907, the sum of $15,891,452.13.

No. 41.

That the present depreciated value of the property mentioned in the preceding finding, basing the same solely on the cost of reproducing the same new, is the sum of $13,933,671.94.

No. 42.

That for the sake of brevity the words "interstate freight" and "interstate tonnage" and "state freight" and "state tonnage" are defined and used as follows:

Interstate freight or interstate tonnage is freight or tonnage that originates on the line of the said road within the state of Washington, passing over the lines within the state and over the lines of said road beyond the limits of the state; or, freight originating outside the state of Washington, destined to points within the state and passing over the lines without the state and over the lines within the state of Washington; or, freight originating outside the state of Washington, destined to points without the state passing over the lines of said railroad without the state and over the said lines within the state; or, freight originating within the state of Washington destined to points within the state of Washington but passing over the lines of the said road both within and without the state.

State freight and tonnage as hereinafter used is freight originating on the lines of said railroad within the state of Washington, destined to points within the state of Washington, and passing over the lines of said railroad wholly within the state.

Interstate passengers are passengers traveling on a continuous contract with said railroad company over its lines both within and without the state.

State passengers are passengers traveling over the said line on continuous contracts on the lines wholly within the state of Washington.

No. 43.

That for the fiscal year ending June 30th, 1906, the Oregon Railroad & Navigation Company carried over its lines in the state of Washington 1,258,578 tons constituting 139,189,398 tons of freight carried one mile over its said lines.

That of the said tons carried one mile approximately 17.08% thereof was state freight and 82.92% thereof was interstate freight and tonnage.

That of the said ton miles of freight carried over the lines in the state of Washington, approximately 29,33% thereof was grain, including wheat, oats, flour, barley, feed and flax, and of which ton miles of grain 5.8% thereof as state tonnage and 94.20% thereof was interstate tonnage. That said grain was hauled an average distance of 40.5 miles and that said interstate grain was hauled an average distance of 291.6 miles, 102.3 miles of which was over the lines within the state of Washington and 189.3 miles of which was over the lines of said company without the state of Washington.

That of said ton miles so carried as aforesaid approximately 14.89% thereof was lumber, of which 1.13 was state and 98.87% was interstate. That the average distance hauled of said lumber was state 63.4 miles and interstate 335.2 miles, of which 147.5 miles was within the state of Washington and 187.7 miles was over the lines of said company outside the state of Washington.

That of said ton miles so carried as aforesaid 2.98% thereof consisted of logs and other forest products, of which 28.79% was state freight and 71.21% was interstate freight and of which the state freight was hauled an average distance of 60.9 miles and the interstate portion thereof was hauled 194.6 miles, of which 65.2 miles was within the state of Washington, and 129.4 miles was over the lines of said company outside the state of Washington.

That of said ton miles so carried as aforesaid 4.34% thereof consists of coal, of which 7.21% thereof was state tonnage and 92.79% thereof was interstate tonnage. That said state tonnage was hauled an average distance of 44.6 miles and said interstate tonnage an average distance of 376.2 miles, 131.4 miles of which was over the lines of said road within the state of Washington and 244.8 miles of which was over the lines of said road without the state of Washington.

That of said ton miles so carried as aforesaid 16.57% thereof consisted of ore, all of which was interstate freight, and moved an average distance of 204.4 miles, 124.4 miles of which was over the lines of said road within the state of Washington and 80 miles of which was over the lines of said road without the state of Washington.

That of said ton miles of freight so carried as aforesaid approximately 3.51% thereof consisted of freight in less car loads of which 21.57% was state freight and moved an average distance of 64 miles,

and 78.42% thereof was interstate freight and moved an average distance of 294.8 miles, 117.2 miles of which was over the lines of said company within the state of Washington and 177.6 miles of which was over the lines of said road without the state of Washington.

That the balance of said ton miles approximating 28.38% consisted of miscellaneous car load freight moving under special commodity rates, consisting of more than 100 commodities, of which approximately 8.27% was state freight moving an average distance of 31.1 miles, and 91.73% of which was interstate freight moving an average distance of 340.5 miles, 162.3 miles of which was over the lines of said company within the state of Washington, and 178.2 miles of which was over the lines of said company without the state of Washington.

No. 44.

That the Oregon Railroad & Navigation Company is allied with and controlled by the Union Pacific Railroad Company, the said Union Pacific Railroad Company also controlling the Oregon Short Line Railroad Company.

That the capital stock of the said Oregon Railroad & Navigation Company consists of 240,000 shares of the par value of $100.00 per share, of common stock, aggregating $24,000,000 and $11,000,000 par value of preferred stock. That of said common stock $23,979,300 par value is owned by the Oregon Short Line Railroad Company, $500.00 thereof being owned by the Oregon Railroad & Navigation Company, leaving $20,200 thereof in the hands of the public. That said $23,979,300.00 worth so owned by the Oregon Short Line is hypothicated as collateral security to secure the payment of the bonds of the Oregon Short Line and no part thereof is available for sale on the market.

That of said $11,000,000.00 par value of preferred stock $10,869,220.00 par value thereof is owned by the Oregon Short Line Company and $122,900.00 par value thereof is owned by the Oregon Railroad & Navigation Company, there being in the hands of the public but $7,880.00 par value thereof of said preferred stock.

That of said preferred stock in the hands of the Oregon Short Line Company and the Oregon Railroad & Navigation Company as aforesaid, $10,866,000,000 par value is pledged as collateral security to secure the payment of their bonds and is not available for sale on the market.

That the Oregon Short Line Railroad Company is organized with a capital stock of $27,460,100.00 of which $27,340,700.00 is owned by the Union Pacific Railroad Company and $109,400.00 is owned by the Oregon Short Line, leaving in the hands of the public $10,000.00 worth par value.

That the Columbia & Palouse Railroad Company operated by the Oregon Railroad & Navigation Company has a capital stock of $1,000,000.00 all of which is owned by the Oregon Railroad & Navigation Company and all of which is hypothicated and pledged.

That the Walla Walla & Columbia River Railroad Company is organized with a capital stock of $700,000.00 all of which is owned by the Oregon Railroad & Navigation Company and all of which is hypothecated and pledged.

That the Snake River Valley Railroad Company has issued of its capital stock $750,000.00 all of which is owned by the Oregon Railroad & Navigation Company

That the Columbia & Southern Railroad Company is organized with a capital stock of $300,000.00 all of which capital stock appears to be owned either by the Union Pacific Railroad Company or the Oregon Short Line Railroad Company.

That the capital stock of the Columbia River and Oregon Central Railroad consists of $50,000.00 all of which appears to be owned by the Union Pacific Railroad Company or the Oregon Short Line.

Making a total capitalization of $37,800,000.00.

That by reason of the facts aforesaid the Commission has been unable to ascertain any evidence tending to show that any of the said stock has been sold within a reasonable time or any evidence which will tend to show the market value of said stock.

That the bonded indebtedness of the said Oregon Railroad & Navigation Company consists of $3,000.00 of first mortgage bonds of the Oregon Railroad & Navigation Company dated June 6th, 1879, and due and payable July 1st, 1909, which bonds the Commission finds are worth par.

$22,022,800.00 of consolidated mortgage bonds bearing date June 1st, 1896, and due and payable June 1st, 1946, and drawing interest at the rate of 4 per cent. per annum. That said consolidated bonds have sold on the market as follows: (The figures first hereinafter given showing the lowest quotation during the month and the second figures the highest figures during such corresponding month.)

For the year 1903:		
January	100¾	101¾
February	101¼	101¾
March	99¼	101½
April	99⅞	101
June	97¼	98¼
July	97	98¼
August	97½	98..
September	96¾	97¾
October	98	100½
November	99¼	100¼
December	97¼	99
For the year 1904:		
January	98⅝	100⅛
February	98½	100⅛
March	99	101⅜
April	101¼	101¾

May	102	102⅞
June	102½	....
July	101¾	102¼
August	101¾	102½
September	102½	103
October	103	103⅝
November	103⅛	104½
December	102	102½
For the year 1905:		
January	102¾	103½
February	102⅞	103¼
March	102½	103¼
April	102¼	103¾
May	102⅛	104
June	102	102¼
July	102½	103⅜
August	103	103¾
September	102¾	103⅝
October	102⅛	103⅝
November	102¾	103¼
December	100½	101
For the year 1906:		
January	100¾	101½
February	100⅜	101¾
March	101	101½
April	100½	102
May	100½	101⅞
June	99½	100⅜
July	100¼	100½
August	100¼	101½
September	100¼	101½
October	100⅝	101⅜
November	101	101⅞
December	98½	99¾
For the year 1907:		
January	97⅛	99½
February	98½	99
March	98	99
April	97⅝	99
May	98	99
June	95¾	96
July	95¾	97⅛
August	94	96¼
September	96¾	95
October	92½	95
November	87	90
December	88	90½

That in addition to the said bonds of the Oregon Railroad & Navigation Company there is a further bonded indebtedness of the Columbia & Palouse Railroad Company amounting to the sum of $2,829,000.00 all of which bonds are owned by the Oregon Railroad & Navigation Company and are hypothicated by it as collateral security. Also the bonds of the Snake River Valley Railroad Company in the sum of $1,500,000.00 all of which said bonds are owned by the Oregon Railroad & Navigation Company. Also the bonds of the Columbia & Southern Railroad Company in the sum of $700,000.00 all of which is owned by the Oregon Railroad & Navigation Company. And the bonds of the Columbia River and Oregon Central Railroad Company amounting to the sum of $675,000.00, which bonds appear to be owned by either the Union Pacific Railroad Company or the Oregon Short Line Railroad Company, making an apparent bonded indebtedness against the said lines operated by the Oregon Railroad & Navigation Company of the sum of $27,729,800.00.

That the Columbia & Palouse Railroad Company bonds, the Snake River valley railroad bonds, the Columbia & Southern Railroad Company bonds and the Columbia River and Oregon Central Railroad Company bonds are not available or offered for sale in the open market and the Commission is therefore unableto give the market value thereof.

No. 45.

That the Oregon Railroad & Navigation Company's lines operated in the state of Washington are divided in divisions as hereinafter stated.

That portion of the line extending from the Washington-Oregon Boundary line to Starbuck, Wash., a distance of 84.81 miles, there are 239 curves aggregating a length of 32.32 miles; that there are 52.9 miles of straight track and 4.07 miles of level track; that there are 33 ascending grades, making an aggregate ascent of 2,187 feet and having a total length of 51.50 miles. That there are 32 descending grades, making an aggregate descent of 1,895 feet and having an aggregate length of 29.24 miles.

That on that portion of the line extending from Wallula, Wash., to Grange City Junction, a distance of 65.85 miles, there are 150 curves, aggregating a distance of 27.32 miles; that there are 38.53 miles of straight track and 14.54 miles of level track; that there are 21 ascending grades making an aggregate ascent of 390 feet, having an aggregate length of 34.47 miles; that there are 15 descending grades making an aggregate descent of 193 feet and having an aggregate length of 16.84 miles.

That on that portion of the line extending from Bolles Junction to Turner, Wash., a distance of 25.06 miles, there are 65 curves aggregating a distance of 8.17 miles; that there are 16.89 miles of straight track and 2.13 miles of level track; that there are 23 ascending grades making an aggregate ascent of 562.3 feet and having an aggregate

distance of 20.87 miles; that there is one descending grade making a descent of 9.5 feet and having a distance of 20.6 miles.

That on that portion of the line extending from Starbuck to Pomeroy, a distance of 30 miles, there are 57 curves aggregating a distance of 6.80 miles; that there is 23.20 miles of straight track and 1.33 miles of level track; that there are 73 ascending grades making an aggregate ascent of 1,246 feet and having an aggregate distance of 28.67 miles.

That on that portion of the line extending from the Idaho-Washington state line to Walla Walla a distance of 4.54 miles, there are two curves aggregating a distance of .72 miles; that there are 3.82 miles of straight track and .15 miles of level track; that there are 5 ascending grades making an aggregate ascent of 39.9 feet and having an aggregate length of .23 miles; that there are 5 descending grades, making an aggregate descent of 55 feet and having an aggregate length of 4.16 miles.

That on that portion of the line extending from Starbuck to Spokane, a distance of 156.37 miles, there are 352 curves, aggregating a distance of 59.85 miles; that there are 96.52 miles of straight track and 12.45 miles of level track; that there are 185 ascending grades making an aggregate ascent of 3,622 feet and having an aggregate distance of 95.65 miles; that there are 71 descending grades making an aggregate descent of 2,384.5 feet and having an aggregate distance of 48.27 miles.

That on that portion of the line extending from Colfax to Washington & Idaho line, a distance of 26.20 miles, there are 84 curves aggregating a distance of 11.91 miles; that there are 14.29 miles of straight track and 4.65 miles of level track; that there are 70 ascending grades making an aggregate ascent of 498 feet and having an aggregate distance of 21.25 miles.

That on that portion of the line extending from La Crosse to Connell, a distance of 53.12 miles, there are 69 curves aggregating a distance of 11.51 miles; that there are 41.60 miles of straight track and 12.33 miles of level track; that there are 44 ascending grades making an aggregate ascent of 912 feet and having an aggregate length of 29.27 miles; that there are 17 descending grades making an aggregate descent of 285 feet and having an aggregate length of 11.52 miles.

That on that portion of the line extending from Winona to Seltice, a distance of 47.84 miles, there are 92 curves aggregating a distance of 17.58 miles; that there are 30.26 miles of straight track and 4.42 miles of level track; that there are 40 ascending grades making an aggregate ascent of 1,468 feet and having an aggregate length of 30.41 miles; that there are 19 descending grades making an aggregate descent of 437 feet and having an aggregate length of 13 miles.

That on that portion of the line extending from Tekoa to Washington-Idaho state line a distance of 2.13 miles, there are 4 curves ag-

gregating a distance of .68 miles; that there is 1.45 miles of straight track and .07 miles of level track; that there is one ascending grade making an ascent of 28.3 feet and having a length of 2.06 miles.

That on that portion of the line extending from Fairfield to Waverly, a distance of 4.76 miles, there are 13 curves aggregating a distance of 2.63 miles; that there are 2.13 miles of straight track; that there are 3 ascending grades making an aggregate ascent of 78 feet and having an aggregate length of 1.62 miles; that there are 2 descending grades making an aggregate descent of 233 feet and having an aggregate length of 3.14 miles.

No. 46.

The Commission finds that the fair cash market value of the property of the Oregon Railroad & Navigation Company in the state of Washington, used for the public convenience and such as is owned by it necessary to be used for the public convenience in the immediate future on June 30th, 1907, was the sum of $19,500,000.00.

The Oregon Railroad & Navigation Company has failed and refused to furnish this commission with a division of the operating expenses by its different operating divisions according to state lines, or to show the proportionate amount of expense incurred on the lines within the state of Washington, and has also failed and refused to furnish the commission with the earnings derived from earnings on its lines within the state of Washington, and proceedings are now contemplated to compel said railroad to keep its accounts in such manner as to furnish the information above mentioned. The commission has been unable to procure the information necessary for it to make proper division of the value of the use of such lines within the state for state and interstate purposes respectively, and the further hearing of this cause is continued for the purpose of making findings snowing the relative value of the use state and interstate of such lines and the probable earnings of said road on state business under rates now charged, and the proportionate cost of operating said lines as between state and interstate business respectively.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON this 31st day of December, 1908.

H. A. FAIRCHILD, Chairman.
JOHN C. LAWRENCE,
JESSE S. JONES,
Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

FINDINGS OF FACT APPLICABLE TO THE COLUMBIA & PUGET SOUND RAILROAD COMPANY.

Finding No. 1.

That the Columbia & Puget Sound Railroad Company is a corporation duly organized and existing under and by virtue of the laws of the State of Washington, having been incorporated under the laws of the Territory (now state) of Washington, November 26, 1880.

That the line now owned by said railroad company was originally constructed by the Seattle and Walla Walla Railroad Company and the said line was purchased by the Columbia & Puget Sound Railroad Company, and the name changed to the Columbia & Puget Sound.

No. 2.

That said corporation is organized with a capital stock of one million dollars, consisting of 10,000 shares of the par value of $100.00 each; that said stock is owned as follows: 9,995 shares by the Pacific Coast Company, and one share each by J. C. Ford, G. W. Mertens, C. H. Ferrell. J. D. Smith and W. E. Nichols.

No. 3.

That said road consists of a line extending from Seattle to Franklin, a distance of 33.62 miles, which is main line, and the following branches, that is to say; from Renton to Coal Creek, a distance of 7.83 miles; from Maple Valley to Taylor a distance of 9.13 miles; from Black Diamond to Bruce Branch, a distance of 2.02 miles; from the Main line to Lake Washington, a distance of .75 miles, from the main line to Kummer, a distance of 1.67 miles; from Bruce Branch to Lawson, a distance of .80 miles; from Weyerhauser Spur to Camp No. 4, a distance of 2.15 miles; making a total mileage main and branch of 57.97 miles, all of which is within the state of Washington.

No. 4.

That said company has no mortgage, bonded or funded indebtedness.

No. 5.

That said company, the capital stock thereof being owned by the Pacific Coast Company, does not formally declare dividends, but,

after paying the operating expenses, the surplus is converted into the treasury of the Pacific Coast Company in lieu of dividends.

No. 6.

That according to the books and records of said company said line cost, exclusive of equipment down to the 30th day of June, 1907, the sum of $1,193,088.59, and there was expended for permanent improvements and betterments, during the fiscal year ending June 30th, 1908, and charged to capital account, the sum of $115,877.07, making a total expenditure as shown by said records, down to the 30th day of June, 1908, of $1,308,965.66.

That said books and records of said corporation show said company to have expended down to the 30th day of June, 1907, for equipment the sum of $503,780.43, and that they expended during the fiscal year ending June 30th, 1908, $76,178.87.

That said records show the total amount expended for equipment, whether the same is now in service or has been worn out and destroyed, down to the 30th day of June, 1908, in the sum of $1,990,999.21.

No. 7.

That in order to reproduce the lines of the Columbia & Puget Sound Railroad Company, in their present condition, it would be necessary to move 1,156,744 cubic yards of earth a distance of not to exceed 300 feet; 121,781 cubic yards of cement gravel a distance of not to exceed 300 feet; 13,868 cubic yards of loose rock a distance of not to exceed 300 feet; 52,091 cubic yards of solid rock a distance of not to exceed 300 feet; and of the above mentioned quantities it would be necessary to move an equivalent of 1,302,484 cubic yards a distance of 100 feet in excess of said 300-foot free haul allowance.

That it would be necessary to clear 462 acres of heavy clearing which for the purpose of ascertaining the cost of reproduction is estimated to cost $100.00 per acre.

That it would be necessary to construct log cribs containing 4,000 lineal feet of logs, and to lay 3,000 cubic yards of dry retaining wall.

That the bridges, trestles and culverts along said line consist of 910 lineal feet of Howe truss bridges ranging from 140 to 160 feet in length; 113 lineal feet of Pony truss bridges; 9,539 lineal feet of pile and frame trestles; one 30-foot and one 40-foot plate girder; one 6x6x70-foot rail top culvert; two 5x90-foot concrete arch culverts; one 2x90-foot concrete arch culvert; 144 lineal feet of 24-inch vitrified pipe; 36,282 lineal feet of logs in culverts; 160 lineal feet of stone culverts.

That it would be necessary to lay 209,134 ties and 6,627.28 tons of steel rails, requiring as track fastenings 954,324 pounds of angle bars, 86,949 pounds of bolts, 481,984 pounds of spikes, 3,128 rail braces and to place eighty switches complete.

That it would be necessary to ballast with earth 33.62 miles; it will be necessary to lay and surface 75.30 miles of track of said main line and sidings, which for the purpose of ascertaining the cost of reproduction is estimated to cost $700.00 per mile.

That in order to reproduce the fencing on said line new would cost the sum of $10,500.00.

That the crossings, cattle guards and signs along said line consist of 13,824 feet board measure, of crossing planks, 28 cattle guards, and 37 miscellaneous signs.

That the station buildings and fixtures along said line consist of 1,400 square feet of one-story brick station buildings; 1,680 square feet of two-story frame station buildings, 3,116 square feet of one-story frame station buildings, and the fixtures for same, together with the furniture and fixtures in the general office at Seattle, are estimated to cost $2,200.00.

That the shops, round houses and turn tables consist of one combination round house and shop, which for the purpose of ascertaining the cost of reproduction, is estimated to cost $6,734.00 and one power house, which for the purpose of ascertaining the cost of reproduction is estimated to cost $3,329.00.

That the shop machinery and tools along the said line for the purpose of ascertaining the cost of reproduction are estimated to cost $36,049.00.

That along said line there are three water stations which for the purpose of ascertaining the cost of reproduction are estimated to cost $6,000.00.

That the fuel stations along said line consist of inclines, coal bunkers and coal bunker machinery, which for the purpose of ascertaining the cost of reroduction are estimated to cost $117,372.00.

That the miscellaneous structures along said line consist of 320 square feet of sand houses, 1,344 square feet of one-story section houses, 3,600 square feet of two-story section houses, 864 square feet of tool houses, 2,816 square feet of freight sheds and 768 square feet of bunk houses.

That a fair allowance for engineering during construction would be 3½% of the amounts expended for grading, bridges, trestles and culverts, ties, rails, track fastenings, frogs and switches, ballasting, track laying and surfacing, fencing, crossings, cattle guards and signs, station buildings and fixtures, shops, round houses and turn tables, shop machinery and tools, water stations, fuel stations and miscellaneous structures.

That a fair allowance for legal and general expenses during construction would be 1% of the items enumerated above.

That a fair allowance for interest would be 2½% of the items enumerated above, together with the allowance for engineering and legal and general expenses.

No. 8.

That to reproduce the road as it existed on the 30th day of June, 1907, exclusive of real estate and equipment would require the expenditure of $1,387,592.00.

That included in said sum are allowances for engineering of $45,280.00, for legal and general expenses of $12,937.00, for interest, $53,844.00 and for shop machinery and tools $36,049.00.

No. 9.

That the accounting records of said company show said company to have expended for equipment the sum of $503,780.43, the commission finds, however, that said sum includes all money expended for equipment whether the same is now in existence or not.

That the equipment now owned by said railroad company consists of 9 locomotives, 3 first class passenger cars, 1 second class passenger car, 1 baggage car, 19 box cars, 105 flat cars, 151 coal cars, 1 refrigerator car, 45 miscellaneous cars and 9 company service cars.

That said equipment could be reproduced new for the sum of $275,000.00.

No. 10.

That in order to reproduce the right of way and terminal grounds owned and used by said road for railroad purposes it would be necessary to expend in purchasing the same the sum of $3,267,888.78.

No. 11.

That in addition to the property used by said company for railroad purposes said company owns the following described property which is not necessary for its use as operating property nor is the same used by it for such purposes, but is used for commercial purposes, that is to say;

The westerly 400 feet of tide land block 199, save and except the following portions thereof, that is to say;

The space covered by the track, together with the space between the track and the warehouse, together with the space on the outer side on the side opposite of the warehouse covered by the platform erected and constructed, adjacent to such track; also

All that portion of 109 situate in the northeast corner of said block and covered by a brick warehouse now in the possession of C. H. Lilly and Co. being a space 200 feet on Railroad Avenue and 100 feet in depth; also

The outer or westerly 300 feet of lots 1, 2, 3 and 4 and the southerly 25.34 feet of lot 5 in block 367, except the space covered by the tracks upon said property, and the space covered by the platform immediately adjacent to the tracks on one side and the space intervening between such track and the warehouse building on the other side thereof.

No. 12.

That for the fiscal year ending June 30th, 1906, the said Columbia & Puget Sound Railroad Company earned from conducting its business as a common carrier the sum of $529,554.47 and the operating expenses connected therewith for said year was the sum of $211,868.08.

That for the fiscal year ending June 30th, 1907, the earning of the said company from conducting its business as a common carrier was the sum of $625,507.51, and the operating expenses connected therewith was the sum of $299,782.00.

That for the year ending June 30th, 1908, the earnings of the said company for conducting its business as a common carrier amounted to the sum of $587,283.33, and the operating expenses connected therewith amounted to the sum of $331,303.56.

No. 13.

That for the year ending June 30th, 1907, said railroad carried over its lines in this state 1,077,142 tons of revenue earning freight, constituting 28,781,935 ton miles.

That of said tons so carried as aforesaid the products of agriculture represented .40%, the products of animals represented .02%, the products of the mines represented 76.92%, of which 72.34% was bituminous coal, forest products represented 18.64%, manufactured products represented 3.03%, merchandise represented .99%.

That during said year said railroad carried 88,399 passengers constituting 1,786,030 passengers carried one mile, such passengers being carried an average distance of 20.20 miles, and such passengers paying an average rate of 2.961 cents per mile.

That for the fiscal year ending June 30th, 1908, said road carried of revenue earning freight 901,972 tons being 23,225,287 ton miles; that the freight rates per ton per mile was 2.170 cents, that of said tonnage the products of agriculture constituted .54%, products of animals .02%, products of the mines 75.18%, of which bituminous coal constituted 70.15%, products of forests constitute 18.40%, manufactured products constitute 4.49% and merchandise miscellaneous 1.37%.

That during said fiscal year the said road carried of passengers earning revenue 92,961, constituting 1,932,073 passengers carried one mile; that said passengers were carried an average distance of 20.78 miles and the rates from such passengers were 2.897 cents per mile.

No. 14.

That the reasonable, fair, market value of said railroad property, including the railway terminals, tracks, rights of way, all structures and improvements thereon, and including all equipment and facilities but not including the property hereinbefore described as commercial property, is the sum of $5,176,973.28.

For the purpose of ascertaining the division of value of said property between state and interstate use (if any of said property is used for interstate purposes) this cause is continued and the findings concerning such division will be made at a later date.

WITNESS the RAILROAD COMMISSION OF WASHINGTON this 31st day of December, A. D., 1908.

H. A. FAIRCHILD, Chairman.
JOHN C. LAWRENCE,
JESSE S. JONES,
Members of Commission.

Attest: O. O. CALDERHEAD, Secretary.

FINDINGS OF FACT APPLICABLE TO THE BELLINGHAM BAY & BRITISH COLUMBIA RAILROAD COMPANY.

Finding No. 1.

The Bellingham Bay & British Columbia Railroad Company is a corporation organized and existing under and by virtue of the laws of the state of California, and has complied with the laws of the state of Washington concerning foreign corporations, and as such corporation is the owner of a line of railroad within the state of Washington and is engaged as a common carrier in the carriage of freight and passengers for hire over such lines within the state.

No. 2.

That the said Bellingham Bay & British Columbia Railroad Company owns and operates a line of railroad extending from Bellingham, Washington, to Glacier, a distance of 44.16 miles, and a branch line from Hampton to Lynden, a distance of 5.31 miles, and has spurs and sidings amounting to 17.71 miles.

No. 3.

That the capital stock of such corporation consists of 10,000 shares of comon stock of the par value of $100.00 per share, making a total capital stock issue of $1,000,000.00.

No. 4.

That on or about the month of December, 1901, the Bellingham Bay & British Columbia Railroad Company authorized an issue of $1,000,000.00 worth of mortgage bonds, of which amount $659,000.00 worth, par value, have been issued, and said bonds realized in cash, the sum of $593,100.00, said bonds bearing interest at the rate of 5 per cent. per annum.

No. 5.

That the accounting records of said railroad company were destroyed in the San Francisco fire and there has been no means of ascertaining from the accounting records the sums paid out for the different construction items. But, the Commission finds that prior to the destruction of such accounting records the said railroad company had reported to the Interstate Commerce Commission the gross amount expended by it in the construction of its lines, including equipment, and that from such report and the report of betterments and improvements

subsequently reported, that said road has expended down to June 30th, 1907, for its lines and equipment in the state of Washington, the sum of $1,739,168.63.

No. 6.

That in order to reproduce the lines of the Bellingham Bay & British Columbia Railroad Company, in their present condition, it would be necessary to move 242,820 cubic yards of earth unclassified, a distance of not to exceed 300 feet; 251,822 cubic yards of common earth a distance of not to exceed 300 feet; 21,076 cubic yards of loose rock a distance of not to exceed 300 feet; 20,307 cubic yards of solid rock a distance of not to exceed 300 feet; 131,717 cubic yards of cemented gravel a distance of not to exceed 300 feet; and of the material above mentioned it would be necessary to move an equivalent of 275,388 cubic yards a distance of 100 feet in excess of said 300 foot free haul allowance.

That it would be necessary to clear 28.34 acres of light clearing, which clearing for the purpose of ascertaining the cost of reproduction is estimated to cost $70.00 per acre.

That it would be necessary to clear 533.77 acres of heavy clearing, which for the purpose of ascertaining the cost of reproduction is estimated to cost $100.00 per acre.

That it would be necessary to grub 1,128.50 stations, which grubbing, for the purpose of ascertaining the cost of reproduction, is estimated to cost $30.00 per station.

That it would be necessary to cut 293 dangerous trees growing outside of the limits of the right of way of the said railroad company, which tree cutting for the purpose of ascertaining the cost of reproduction is estimated to cost $2.00 per tree.

That it would be necessary to lay 1,296 cubic yards of riprap.

That it would be necessary to construct 27,175 lineal feet of cribbing.

That to reconstruct the bridges, trestles and culverts along said line it ould be necessary to construct one through steel truss bridge 80 feet in length; one through Howe truss bridge 320 feet in length; one deck Howe truss bridge 120 feet in length; one Pony Howe truss bridge 54 feet in length; the said bridges necessitating pile approaches amounting to 481 lineal feet.

That it would be necessary to construct 2,316 lineal feet of pile bridges and 553 lineal feet of frame trestles, and 787 lineal feet of high frame trestles.

That it would be necessary to use 57,580 lineal feet of logs in culverts and 11,266 feet B. M. of lumber in wooden boxes.

That in order to reproduce the said line in its present condition it would be necessary to lay 183,913 ties.

That it would be necessary to lay 25.77 miles of 50 pound steel rails amounting 2,024.75 tons; 2.01 miles of 55 pound steel rails amounting to 173.72 tons; 18.16 miles of 56 pound steel rails amounting

to 1,598.08 tons; 19.37 miles of 60 pound steel rails amounting to 1,846.40 tons, making a total tonnage of steel rails of 5,642.95 tons.

That the laying of said rails would necessitate using 391,860 pounds of spikes; 45,978 angle bars; 80,005 pounds of bolts and 1,936 rail braces.

That it would be necessary to place 126 frogs and switches complete.

That it would be necessary to ballast 58.10 miles of line which for the purpose of ascertaining the cost of reproduction is estimated to cost $700.00 per mile.

That it would be necessary to lay and surface 65.31 miles of main line and sidings which for the purpose of ascertaining the cost of reproduction is estimated to cost $700.00 per mile.

That it would be necessary to place said 126 switches and frogs, which for the purpose of ascertaining the cost of reproduction is estimated to cost $20.00 each.

That it would be necessary to construct 68 miles of board fencing.

That it would be necessary to construct 10 miles of barbed wire fencing.

That it would be necessary to lay 160 crossing planks.

That it would be necessary to construct and place two yard limit signs.

That it would be necessary to construct and place 40 cattle guards, 11 miscellaneous signs, and 51 whistle posts.

That it would be necessary to construct and erect 1743 telegraph poles.

That the station buildings consist of 3280 square feet of floor area of three-story buildings, the same being the station buildings erected at Bellingham; 15,322 square feet floor area of one-story B. B. & B. C. standard one-story station buildings; 18,764 square feet of platforms.

That the station fixtures and equipment along the line are estimated to cost new $5,422.83.

That the shops, round houses and turntables along the said line consist of 12,282 square feet floor area of frame shops; four-stall galvanized iron engine house; two-stall wood engine house; 144 square feet of engine house wing; two wood turn tables, which turn tables, for the purpose of ascertaining the cost of reproduction are estimated to cost $1,000.00 each.

That to reproduce new the shop machinery and tools used by said railroad in connection with its lines would cost the sum of $23,000.00.

That the water stations consist of one round tank 35,000 gallons, and one box tank 8 x 16 x 24.

That in order to reconstruct the fuel stations along the said line, it would be necessary to construct 256 square feet of coal platforms; one crane and windlass, which for the purpose of ascertaining the cost of reproduction is estimated to cost $100.00 new.

That the storage warehouses along the said line consist of 20,504 square feet floor area.

That the miscellaneous structures along the said line consist of 3,840 square feet of umbrella sheds; 1,152 square feet floor area of section houses; one two-story dining room containing 2,368 square feet floor area; 1,696 square feet of bunk houses; 1,800 square feet floor area of detention buildings, 1,200 square feet of supply sheds; 4,428 square feet of store houses; 492 square feet floor area of sand houses; 384 square feet of oil houses; 1,304 square feet of tool houses; 384 square feet of dwellings; 160 square feet of flag stations; 194 square feet of standard water closets; 64 square feet of scale houses; which for the purpose of ascertaining the cost of reproduction is estimated to cost new $1,200.00.

That the section equipment used along the said line is estimated to cost new $2,200.00.

That a reasonable alolwance for engineering would be 3½ per cent. of the cost of reproducing new the items hereinabove mentioned.

That a reasonable allowance for legal and general expenses would be 1 per cent. of the items hereinabove mentioned, not including the engineering expenses.

That a reasonable allowance for interest during construction would be 3 per cent. of the items hereinbefore mentioned, together with 3 per cent. of the cost of reproducing the right of way and terminals hereinafter set out.

That the said railroad company has on hand stores necessary to be used in the operation of said line of the reasonable worth and value of $6,378.00, which sum the Commission finds is a reasonable sum to be allowed for stores on hand.

No. 7.

That it would cost to reproduce all the items hereinbefore enumerated, new, including interest during construction, legal and general expenses and stores on hand, the sum of $1,095,152.26, and that the present depreciatted value of the items hereinbefore mentioned, based solely on the cost of reproduction, is the sum of $907,952.64.

No. 8.

That the equipment owned and used by the said railroad company consists of the following: one 60,000 pound engine constructed in 1889; two 143,800 pound engines constructed in 1891; one 207,800 pound engine constructed in 1881; one 205,950 pound engine constructed in 1893; one 143,900 pound engine constructed in 1902; one 212,200 pound engine constructed in 1901, and one 115,900 pound engine constructed in 1889. That it would cost to reproduce the said engines new the sum of $82,000.00. That the same have been in use approximately since the dates hereinbefore given, and their present depreciated value is the sum of $42,898.00.

That the passenger equipment along the said line consists of the following: One mail and baggage car constructed and placed in service in the year 1890; one combination car constructed and placed in service in the year 1891; one combination car constructed and placed

in service in 1902; two passenger cars constructed and placed in service in 1891; and two passenger cars constructed and placed in service in 1902. That it would cost to reproduce such passenger equipment new the sum of $37,000.00. That its present depreciated value is the sum of $22,780.00.

That the freight equipment in use by the said company consists of the following: 24 logging trucks constructed and placed in service in the year 1904 of a capacity of 20,000 pounds each; 5 flat cars constructed and placed in service in the year 1903, of a capacity of 30,000 pounds each; 34 flat cars constructed and placed in service between the years 1898 and 1903, of a capacity of 40,000 pounds each; 9 flat cars constructed and placed in service in the year 1900, of a capacity of 60,000 pounds each; 11 flat cars constructed and placed in service in the year 1901 with a capacity of 60,000 pounds each; 30 flat cars constructed and placed in service in the year 1902, with a capacity of 60,000 pounds each; 11 flat cars constructed and placed in service in the year 1903, with a capacity of 60,000 pounds each; 6 box cars constructed and placed in service in the year 1889, with a capacity of 30,000 pounds each; 49 box cars constructed and placed in service in the years 1903 and 1904 of a capacity of 60,000 pounds each; one caboose constructed and placed in service in the year 1903, and one caboose constructed and placed in service in the year 1905. That it would cost to reproduce the freight equipment new, above described, the sum of $142,600.00, and that the present depreciated value of such freight equipment is the sum of $120,166.47.

That the work equipment owned and operated by the said company consists of: one steam shovel constructed and placed in service in the year 1901; one gravel plow constructed and placed in service in the year 1904; one pile driver constructed and placed in service in the year 1904; 8 hand cars placed in service between 1889 and 1906; 8 push cars placed in service between 1889 and 1906; 8 speeders placed in service between 1890 and 1905, and one motor car placed in service in 1906. That it would cost to reproduce such work equipment new the sum of $4,900.00, and its present depreciated value is the sum of $4,162.00.

No. 9.

That it would cost to reproduce all of the equipment hereinbefore mentioned, new, the sum of $266,500.00; and that its fair depreciated value, based on the cost of reproducing the same new, is the sum of $190,006.47.

No. 10.

That in order to reproduce the right of way and terminal grounds of the said railroad company, used and occupied by it, it would be necessary to pay in addition to the market value of said land, a sum ranging from such market value to 400 per cent. in addition thereto to cover consequential damages to land not taken and because of the necessity of the railroad to have the particular land sought.

No. 11.

That the said railroad constructed through a portion of the city of Bellingham on what is known as Railroad Avenue; that the said railroad was constructed on a portion of said street prior to the platting of the said land; that when the said land was platted and the said Railorad Avenue was dedicated it was dedicated to the use of the public subject to the right to operate the said railroad over, across and along said Railroad Avenue. That at the time the said Railroad Avenue was, between Myrtle and Willow streets, of a width of eight feet; that the said railroad company for the purpose of preventing a congestion of traffic along said thoroughfore (Railroad Avenue) dedicated for the public use 25 feet on either side of the said Avenue making the said Avenue 130 feet in width. That along said avenue between Myrtle and Willow streets the said railroad has two tracks constructed in the center of said street the entire distance, and in some places four tracks. That 60 feet is approximately in actual use by the said railroad company in the discharge of its duties as a common carrier. That subject to the use of the said railroad company as above stated said entire street is dedicated to the public use and is being actually used by the public as a thoroughfore, and is one of the principal commercial streets in the city of Bellingham.

That it would cost to reproduce the said 60 feet so used by said railroad company, basing the same on the cost of adjacent property, with the consequential damage resulting therefrom, the sum of $430,976.00, which sum is included in the cost of reproducing the terminal grounds and right of way hereinafter given.

No. 12.

That it would cost to reproduce the right of way and terminals used by it, including the said $430,976.00 placed on the property on Railroad Avenue, at the present time, the sum of $931,189.14.

No. 13.

That it would cost to reproduce new in its present condition all the property owned and operated by the said railroad company the sum of $2,292,841.40, and that its present depreciated physical value, based solely on the cost of reproducing the same new, would be the sum of $2,029,148.25.

No. 14.

That the Bellingham Bay & British Columbia Railroad Company as originally constructed, extended through a country heavily timbered, and the country adjacent and tributary to its line is not in a highly developed condition so far as agriculture is concerned, save and except a small portion tributary to its line in the Nooksack Valley. That the products of agriculture originating on its line carried by said road amounted to 4,296 tons, which was approxiately 1.7 per cent. of its tonnage.

That the products of animals originating on its line amount to 1,398 tons, being .53 per cent. of its tonnage.

That the products of the mines carried by it, originating on its line, consist of 609 tons, being approximately 25 per cent. of its total tonnage.

And that the manufactured products originating on its line amount to 3,617 tons, being approximately 1.4 per cent. of its entire tonnage.

And that the balance of its tonnage amounting to 239,725 tons, being approximately 89.35 % of its tonnage, consists of the products of the forests, of which 85,080 tons was manufactured forest product and 154,645 tons consisted of logs and other unmanufactured forest products.

No. 15.

That logs and other unmanufactured forest products of necessity must be carried and transported at a comparatively low rate in order to have such tonnage moved.

No. 16.

That for the year 1905 the gross earnings from the operation of said road amounted to the sum of $212,384.73, and that the operating expenses connected therewith amounted to the sum of $146,405.97 and that from miscellaneous income the said road received the sum of $5,544.19, leaving a total income of $71,522.95 over and above the cost of operation.

That from such sum the said railroad company paid interest on its funded debt of $659,000.00 the sum of $32,950.00 and interest on interest-bearing current liabilities amounting to the sum of $13,892.60; for taxes, the sum of $15,113.29, and other deductions from its total income amounting to $1,730.45, leaving a net income from operation to be applied on dividends the sum of $7,836.55.

That for the year 1906 the gross earnings from the operation of said road amounted to the sum of $221,216.21, and the operating expenses connected therewith amounted to the sum of $157,890.78, and from miscellaneous income the said company received the sum of $3,987.86, making a total income over and above the cost of operation of $67,313.29, out of which income the said road paid interest on its funded debt of $659,000.00, amounting to the sum of $32,950.00, and interest on interest bearing current liabilities amounting to $13,410.79; taxes, $11,019.93, and other deductions amounting to $65.56, leaving a net income for said year amounting to $9,867.01 with which to pay dividends on its capital stock.

That for the year ending June 30th, 1907, the said road received gross earnings from operation the sum of $260,987.82; that its operating expenses connected therewith were the sum of $163,101.07, and that it received other miscellaneous income amounting to the sum of $2,118.15, making a total income over and above the payment of the operating expenses of $100,004.90, out of which it paid interest on its funded debt above mentioned, amounting to $32,950.00; interest on in-

terest-bearing current liabilities, $11,605.83; taxes amounting to the sum of $8,270.99, and for permanent improvements the sum of $461.16, leaving a net income for said fiscal year amounting to the sum of $46,716.92 with which to pay dividends on its capital stock.

No. 17.

The commission finds that by charging reasonable rates to the shipper said railroad company will not be able to earn a reasonable and adequate return on the amount necessary to reproduce its said lines in the state of Washington.

No. 18.

That on that portion of the main line extending from Bellingham to Glacier and consisting of 44.16 miles, 30.50 miles thereof consists of straight line, 13.66 miles thereof consists of curved line, and that there are 68 curves. That there are 6.81 miles of level line; that in such distance there are 19 ascending grades and that the sum of such ascents is 1,380.1 feet; that the aggregate length of the ascending grades is 20.71 miles; that there are 19 descending grades, the sum of said descents aggregating 471.8 feet, and the length of the said descending grades aggregate 16.64 miles.

That on the branch line extending from Hampton to Lynden, consisting of 5.31 miles, 4.60 miles of said distance is straight line; there are four curves of an aggregate length of .71 miles; that the level track consists of .68 miles; that there are two ascending grades, the sum of such ascents amounting to 64.3 feet and the aggregate length of the ascending grade is 2.35 miles; that there are two descending grades, the sum of such descents aggregating 41.3 feet, and the aggregate length of the descending grades is 2.28 miles.

No. 19.

The Commission further finds that the country tributary to said railroad is developing and that the earnings of said road will increase in the future, and that it has a market value in excess of a sum which, if capitalized, would earn a sum equal to its present earnings.

No. 20.

That the said railroad is confined wholly to the limits of Whatcom county and said county has a present population of 68,000 people.

No. 21.

The Commission finds that of the capital stock hereinbefore mentioned of $1,000,000.00, that the only sales of said stock that have occurred in the open market occurred in the month of October, 1906, and that said stock sold at the rate of $42.50 per share, said shares being of the par value of $100.00.

The Commission has been unable to find any evidence which would tend to show that the bond issue of $659,000.00 has been sold or offered for sale and the Commission has, therefore, considered the same as being worth par.

No. 22.

The Commission finds that said railroad has been under construction and in operation for approximately 20 years, but during such time it has paid no dividends to its stockholders. That its earnings have been very small and such earnings as it has made has been added to betterments and improvements and extensions of the line.

No. 23.

The Commission finds that the fair cash market value of the said railroad, including therein the strip 60 feet wide on Railroad Avenue between Myrtle and Willow Streets, in the city of Bellingham, is the sum of $1,100,000.00.

For the purposes of ascertaining the division of value of said property between state and interstate use (if any of said property is used for interstate purposes) this cause is continued and the findings concerning such division will be made at a later date.

WITNESS THE RAILROAD COMMISSION OF WASHINGTON, this 31st day of December, A. D. 1908.

H. A. FAIRCHILD, Chairman.
JOHN C. LAWRENCE,
JESSE S. JONES,
Members of Commission.

Attest: O. O. Calderhead, Secretary.

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